ANNUAL REPORT

OF THE

Indian Merchants' Chamber and Bureau

FOR THE YEAR

00133675

1916-17.

(Presented to the Annual General Meeting held on the 26th September, 1917.

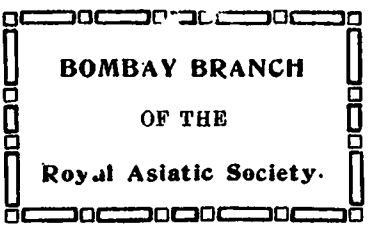
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Published by
MR. S. S. MEHTA, Secretary, The "Indian Merchants' Chamber and Bureau"
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Presented

by

JEHANGIR BOMANJEE PETIT.



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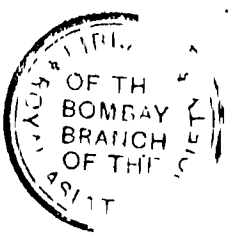
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INDEX.

	SUBJECTS.	PAGE.
1.	List of Members	1
2.	List of Members of the Committee	11
3.	Chairmen of the Chamber and other office bearers ...	12
4.	Annual General Meeting	13
5.	Report of the Committee	27
6.	Accounts of the Chamber	44
7.	List of Magazines and papers received	46
8.	Imports from Switzerland	48
9.	Representation on the Imperial Council	52
10.	State Versus Company Management of Railways ...	57
11.	Reduction in Duty on Alcohol to be used for Industrial purposes	76
12.	Indo-French Trade	90
13.	Development of Cotton	92
14.	Tariff Valuation Meeting	101
15.	Amendment of the Presidency Banks Act.	103
16.	Statistical Class	107
17.	Contribution to the College of Commerce	109
18.	Proposed enhancement of the authorised goods classification of a few commodities	111
19.	Remarks on Bills of Lading	121
20.	British Preferential Tariff	124
21.	Quarterly Rail & Riveborne Trade	128
22.	Industrial Commission	133
23.	India's Representatives at the Imperial War Conference.	184
24.	Speculation in Kutcha Americans	192
25.	Preference for Empire made Sugar	195
26.	Prescribed form of Profit & Loss A/c.	197
27.	Priority Committee...	198
28.	The New Taxation	204

29. Changes in Statistics 205
30. Revision of the Indian Income Tax Act 212
31. Imports of old Newspapers 218
32. Hall marking of Gold and Silver 220
33. Financial Stringency 222
34. City Civil Court Scheme 223
35. Holi Holidays 242
36. Death of Dr. Dadabhoy Naoroji 245
37. Indo-Russian Trade 246
38. Meeting of the Goods Classification Committee ... 249
39. Improvement of Hemp 258
40. Wharfage Rules 267
41. Interviews of Officials 271

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LIST OF MEMBERS OF THE INDIAN MERCHANTS' CHAMBER AND BUREAU.

	Members.	Representative.
1	Messrs. Morarji Goculdas and Company	(Hon. Sir D. E. Waccha).
2	„ Chhagandas and Company.	(Mr. Devkaran Nanji Desai. J. P.)
3	„ Pragjee Surjee and Company	(Mr. Pragji Surjee).
4	„ Muljee Haridas	(Self).
5	„ Dinshaw D. Karani and Company	(Mr. Dinsha Dosabhai Karani).
6	„ M. M. Batlivala and Company	(Mr. M. M. Batlivala).
7	The Hon'ble Mr. Manmohandas Ramji.	
8	Messrs. Pragji Vundrawan	(Mr. Laxmidas Purshotam Vundrawan).
9	„ Morarji Velji	(Mr. Morarji Velji).
10	„ Chaturbhuj Shivji	(Mr. Chaturbhuj Shivji).
11	„ Jethabhai Walji	(Mr. Jethabhai Valji).
12	„ Walji Samji	(Mr. Dharamsey Hemraj).
13	„ Chunilal Sakelchand	(Mr. Varjivandas Chunilal).
14	„ Mulji Kersondas	(Mr. Mulji Kersondas).
15	„ Walji Sunderji	(Mr. Walji Sunderji).
16	„ Bhukhandas Govindji	(Mr. Lalji Govindji).
17	„ Damodar Haridas	(Mr. Runchhoddas Harjivan).
18	„ Rawjibhai Naranji	(Mr. Dwarkadas Rawji).
19	„ Matubhai Vassonji	(Mr. Vassanji Naranji).
20	„ Madhavji Thakersey	(Mr. Devidas Madhawji Thakersey).
21	„ Ramdas Madhavji	(Mr. Madhavji Jesang).
22	„ Bhimji Kara	(Mr. Bhimji Kara).
23	„ Damodar Govindji	(Mr. Vithaldas Damodar Govindji).
24	„ Talakchand Jetha	(Mr. Narotamdas Hemchand).
25	„ Hemraj Kanji	(Mr. Morarji Hemraj).

26 Messrs. Tricumdas Purshotum (Mr. Vithaldas Tricumdas)
27 ,, Kersondas Purshotam (Mr. Kersondas Premji).
28 ,, Chaturbhuj Jivandas (Mr. Chaturbhuj Jivandas).
29 ,, Morarji Kallianji & Co. (Mr. Walji Govanji).
30 ,, Hiralal Amratlal (Mr. Manilal Laloobhai).
31 ,, Bhalchandra Balvant (Mr. Balvantrao Ramchandra).
32 ,, Valabhdas Jamnadas (Mr. Valabhdas Jamnadas).
33 ,, Jagjivan Hemraj (Mr. Goculdas Jadavji).
34 ,, Lalji Naranji (Mr. Dwarkadas Naranji).
35 ,, Ghella Dayal (Mr. Goculdas Jivraj).
36 ,, Valabhdas Kanji (Mr. Valabhdas Kanji).
37 ,, Bhimji Dwarkadas (Mr. Dhunji Bhimji).
38 ,, Mulji Damodar (Mr. Vassanji Moolji Damoder).
39 ,, Kanji Kurson (Mr. Hurjivan Walji).
40 ,, Hormusji Bejonji (Mr. Gordhandas Purshotum).
41 ,, Ramji Thackersey (Mr. Talakchand Gobar).
42 ,, Madanji Mohanji (Mr. Harjivandas Mohanji).
43 ,, Raghawji Anandji (Mr. Kursondas Mulji)
44 ,, Kursondas Kallianji (Mr. Chaturbhuj Kersondas Shroff).
45 ,, Soonderdas Padamsey (Mr. Soonderdas Padamsey).
46 ,, Nagardas Purshotum and Company (Mr. Bhagvandas Keshavji).
47 ,, Runchhodas Thakersey (Mr. Ramdas Ranchhoddas).
48 ,, Chhotalal Moolchand (Mr. Kallianji Mawji).
49 ,, Manji Walji (Mr. Mathuradas Mawji).
50 ,, Edulji Kharsetji (Mr, Jamsetji Edulji).
51 ,, Devkaran Narandas (Mr. Devkaran Moolji).
52 ,, Purshotum Govindji (Mr. Haridas Purshotum).
53 ,, Chhotalal Mangaldas (Mr. Mangaldas Gopalji).
54 ,, Lalji Tricumji (Mr. Girdhardas Khimji).
55 ,, Purshotum Laxmidas (Mr. Dwarkadas Vassanji).
56 ,, Hemraj Jesang (Mr. Narayandas Haribhai).
57 ,, Hargovind Chatu (Mr. Karsondas Hargovind).
58 ,, Damodar Walji (Mr. Hiraji Rustamji).

59 Messrs. Amritlal Jagjivan (Mr. Jagjivan Sheshkaran).
60 „ Bhagvandas Bhavanbhai (Mr. Vrajlal Bhagvandas).
61 „ Bhimji Ravji & Sons (Mr. Chhabildas Laxmidas Bhimji).
62 „ Gordhandas Naranji (Mr. Naranji Narsey).
63 „ Jairam Hari (Mr. Devidas Damoder).
64 „ Motilal Keshawji (Mr. Motilal Vallabhji).
65 „ Jaithabhai Govindji (Mr. Jaithabhai Govindji)
66 „ Kurji Dharamsey (Mr. Karsondas Kurji Dharamsey).
67 „ Gopalji Walji Soonderji (Mr. Mulji Lakshmidas).
68 „ Hormusji Kharsetji (Hon'ble Mr. Phiroz C. Sethna).
69 „ Kawasji Temoolji (Mr. Temoolji Burjorji).
70 „ Morarji Govindji & Co. (Mr. Govindji Jivandas).
71 „ Vishram Dhanji (Mr. Vandravandas Velji).
72 „ Pudamsey Manji (Mr. Purshotam Mulji).
73 „ Kalidas Dharamsey (Mr. Motilal Kanji).
74 „ Gopalji Kallianji (Mr. Sunderdas Parmanand).
75 „ Purshottam Dwarkdas (Mr. Damodar Bhagvandas).
76 „ Walji Khimji (Mr. Valabhadas Walji).
77 „ Shamji Vandravan (Mr. Hirji Mulji).
78 „ Hemraj Walji (Mr. Jivandas Hemraj Walji).
79 „ Bamanji Shapoorji (Mr. Pirojshaw Dinshawji).
80 „ Runchhoddas Valabhai (Mr. Runchhoddas Valabhai).
81 „ Valabhdas Laxmidas (Mr. Ratansey Doongersey).
82 „ Raghawji Ebji (Mr. Walji Ebji).
83 „ Kapurchand Ramchand (Mr. Kapurchand Ramchand).
84 „ Hirji Dayal (Mr. Lalji Dayal).
85 „ Thakersey Moolji & Co. (Sir Vithaldas Damoder Thakersey).
86 „ Anandji Valji (Mr. Premdas Khimji)
87 „ Damodar Nussarvanji (Mr. Dorabji Nussarvanji Pavri)
88 „ Versey Curamsey (Mr. Valji Soonderji).
89 „ Jutha Kanji (Mr. Mulji Dharamsey).

90 Messrs. Ruttansey Kanji (Mr. Padamsey Ruttansey).
91 „ Moolji Jetha & Co. (Mr. Chaturbhuj Gordhan das)
92 „ Ramji Laxmidas (Mr. Keshavji Ramji Laxmidas).
93 „ Vaman Shridher (Mr. Vaman Shridher Apte).
94 „ Chatturbhuj Haridas (Mr. Chaturbhuj Purshotum).
95 „ Moolji Padamsey (Mr. Hirji Topan).
96 „ Liladher Dwarkadas (Mr. Soonderji Walji).
97 „ Goculdas Shivji (Mr. Soonderji Damoder).
98 „ Jamsetji Framji Kharas (Mr. Ardeshir Jamsetji Kharas).
99 „ Keshawji Haridas (Mr. Haridas Mawji).
100 „ Purshottam Kalidas (Mr. Purshottam Kalidas).
101 „ Hariram Velji (Mr. Nemchand Joothabhai).
102 „ Manji Keshawji (Mr. Haridas Mathuradas Thakkar).
103 „ Girdherdas Jethabhai (Mr. Haridas Gordhandas).
104 „ Jivram Vassanji (Mr. Jestaram Jivram).
105 „ Gopalji Walji (Mr. Narandas Mitharam).
106 „ Harjivan Walji (Mr. Harjivan Walji).
107 „ Zaver Jaggiwan (Mr. Ramdas Zaverbhai).
108 „ Rewashankar Jagjiwan (Self).
109 „ Motilal Dayabhai & Co. (Mr. Motilal Dayabhai).
110 „ Dewji Kanji & Co. (Mr. Shariff Devji Kanji).
111 Mr. Jainarayan Dani (Mr. Vithaldas Kârsondas).
112 Sir Shapurji B. Bharucha (Self)
113 Messrs. Narandas Rajaram & Company (Hon. Mr. Purshotamdas Thakoredas).
114 „ Hajee Mahomed Hajee Ismail & Company (Mr. Umar Haji Usaf Sobhani).
115 Mr. Ruttonsey Mulji (Self).
116 Messrs. Bhaidas Narotumdas & Sons (Mr. Maneklal Bhaidas).
117 „ Ramdas Khimji & Co. (Mr. Purshotam Jivandas).
118 „ Phirozshah B. Petit & Co. (Mr. Phirojshah B. Petit).
119 „ Dhanjibhai B. Petit & Co. (Mr. Dhanjibhai Petit).
120 Raja Bahadur Shivlal Motilal (Mr. Govindlal).

121 Mr. S. R. Bamanji (Self).
122 Messrs. Khimji Vishram & Company (Mr. Khimji Dayalji).
123 Hon'ble Sir Ibrahim Rahimtulla (Self).
124 Mr. Thaker Vullabhdas Kalianjiwala (Mr. Narsinh Vallabhdas).
125 „ Kaikhusru Manekji (Kaikhusru Manekji Minocheherhomji).
126 Messrs. Drewet Chawna & Company (Mr. Palanji Dadabhai Chawna).
127 „ O. H. Nazar & Co. (Mr. O. H. Nazar).
128 Mr. Gordhandas Khatau (Mr. Tricumdas Gordhandas)
129 „ N. D. Dadyseth (Self).
130 Messrs Kavasji Dinshah Brothers (Self).
131 „ Shaikh Ahmed Shaikh Dawood & Co. (Mr. Manilal Hiralal).
132 Mr. Mathuradas Vussanji (Mr. Mathuradas Vussanji).
133 „ Tarachand Ghunshyamdas (Mr. Govindram Harsomal)
134 Messrs. A. C. Rice & Co. (Mr. Ardesher Edulji Cama).
135 „ Javeri & Co. (Mr. B. N. Javeri)
136 Mr. Kursondas Mulji Jetha (Self)
137 Messrs. The Grain Merchants' Association (Mr. Naranji Haribhai)
138 „ K. P. Kothare & Company (Mr. Krishnarao Purshotum Kothare).
139 „ The Indian Mercantile Insurance Co., Ltd (Mr. Pestanji Edulji Dhala).
140 Hon'ble Mr. Lallubhai Samaldas C. I. E. (Self).
141 Messrs. Jivanchand Lallubhai & Co. (Mr. Gulabchand Dharamchand)
142 „ Hajibhai Lalji & Co. (Mr. Mahomed Hajibhai)
143 „ Kothari Sutaria & Co. (Mr. R. L. Sutaria).
144 Hon'ble Sir Fazalbhai Currimbhai Ibrahim (Self).
145 Messrs. The Bombay Merchants' Bank, Ltd. (Mr. Jainarayan Hindumal Dani).
146 „ Gordhandas Khetsey (Mr. Dwarkadas Ravji.)
147 Mr. Narotum Morarji Goculdas (Self)

148 Messrs. S. B. Billimoria & Co. (Mr. S. B. Billimoria).
149 „ Tata Son's & Co. (Mr. Phiroz J. Billimoria).
150 Mr. Manekji Jethabhai Vardhman (Self).
151 Messrs. Hormasji E. Davar & Sons (Mr. Phirozsha H. Davar).
152 „ The Berar Manufacturing Co. (Mr. Lachmandas Herrakchand Daga).
153 „ R. H. Pattuck & Co. (Mr. Hirjibhai Shapurji Pattuck).
154 „ Warden & Company, Ltd. (Mr. Sorabji E. Warden).
155 „ Premchand Roychand & Sons (Mr. Kikabhai Premchand).
156 Mr. Purshotam Vishram Mawjee (Self)
157 Messrs. Sreerama Samanna (Self)
158 „ The Hindustani Native Merchants' Association (Seth Jugannath Munim of Seth Tarachand Juharimal).
159 „ Manekchand Panachand and Company (Mr. Tarachand Navalchand Javeri).
160 Mr. Arjun Khimji (Self).
161 Messrs. N. Powell and Company (Mr. M. Venkatrav).
162 Hon'ble Mr. Abdul Hussein Adamji Peerbhoy (Self)
163 Mr. Markundrai Girjaprasad Desai (Self)
164 „ Charandas Chaturbhuj Morarji „
165 Messrs. Kedarmal Bhuramal (Mr. Kedarmal Bhuramal).
166 Mr. Nayalchand Lalluchand (Self).
167 „ Gulabchand Devchand Zaveri „
168 „ Ramprasad Hariprasad Desai „
169 „ Gordhandas Runchhordas „
170 „ Bhogilal Virchand Dipchand „
171 „ Dunichand Durgadas „
172 „ Rotonchand Tolokchand Master „
173 „ Vullabhdas Dayal „
174 Messrs. K. S. Aiyar and Company (Mr. K. S. Aiyar).
175 „ H. Pestonji and Company (Mr. Dosabhai Pestonji Bhakka).

176 Mr. Mathuradas Goculdas Thacker (Self).
177 „ Hirachand Vanechand Desai (Self).
178 Messrs. The Davars' College of Commerce (Professor S. R. Davar).
179 „ N. L. Thakar & Co. (Mr. N. L. Thakar).
180 Mr. Nassarwanji K. A. Chinoy (Self).
181 Messrs. Vasanji Velji & Co. (Mr. Shivji Champsi).
182 „ P. N. Mehta & Co. (Mr. Phirozhah Nussarwanji Mehta).
183 „ Kilachand Devchand & Co. (Mr. Chhotalal Kilachand).
184 „ The National Financing & Commission Corporation, Ltd, (Mr. C. I. Parekh).
185 „ The Central Bank of India, Ltd. (Mr. Sorabji N. Pochkhanawala).
186 „ Abdulla Allarakhia & Co. (Mr. Karmali Abdulla Allarakhia).
187 Mr. Balubhai Moolchand Javeri (Self).
188 Messrs. Mamraj Rambhagat (Mr. Prahladrai Ramjidas).
189 Mr. Haridas Nagjee Vora (Self).
190 „ Thakkar Amarsey Kanji (Self).
191 „ Goculdas Damodar (Self).
192 „ Manilal Goculbhai Mulchand (Self).
193 „ The Bombay Shroff Association (Mr. Lakhmichand Manekchand Doshi).
194 „ Hansraj Pragji Thakersey (Self).
195 „ Goculbhai Dolatram (Mr. Jamnadas Mulchand Parekh).
196 Rao Bahadur Curamsey Damji (Self).
197 Mr. Pestonji N. Masani (Self).
198 Messrs. Abdullabhoy Joomabhoy Lalji & Co. (Mr. Fazalbhai Joomabhoy Lalji).
199 „ Mulchand Vasonji & Co. (Mr. Lukhmidas Nemidas).
200 „ Dwarkadas Tribhovandas (Mr. Dwarkadas Tribhovandas).
201 Mr. Dwarkadas Gordhandas (Self).

202 Messrs. Patel Bros. (Mr. Pestonji Dhanjibhai Patel).
203 ,, Shivji Cooverjee & Co. (Mr. Pragji Mohanjee Kothari).
204 ,, Chandbhoy & Jassoobhoy (Mr. Kaikhusru N. Chandabhoy).

205 Hon. Mr. Chunilal V. Mehta (Self).
206 Mr. Ratonsey Dharamsey Morarji (Self).
207 Messrs. Hirjee Khetsey & Co. (Mr. Hirjee Khetsey).
208 ,, C. L. Sajan & Co. (Mr. Currimbhai Lalji Sajan).
209 ,, Ghelabhai Gangsey and Co. (Mr. Hirji Ghelabhai).
} Representatives of the Bombay Rice Merchants' Association
210 ,, The India Agency Co., Ltd., Messrs. Narandas Purshottamdas & Sons—Agents : Mr. Devidas Narandas).
211 ,, Ramji Purshottam and Co. (Mr. Naranji Haribhai).
212 ,, Mr. Abdulla Fazulbhai.
213 ,, Khimji Hirji Kayani & Co. (Mr. Khimji Hirji Kayani).
214 Mr. Jehanjir Bomanji Petit (Self).
215 ,, Cassumali Jerajbhai Peerbhai (Self).
216 Messrs. The Bombay Printing Works, Ltd. (Mr. M. P. Madon).
217 ,, Assar Virjee & Sons (Mr. Laxmidas Haridas).
218 Mr. Meghji Vasanji Tricumji (Self).
219 ,, Vithaldas Liladhar Bhimji (Self).
220 Messrs. The Commission & General Agency (Mr. M. V. Subiah).

221 Mr. Vithaldas Bhawanidas (Self).
222 ,, Dwarkadas Kalyandas. (Self).
223 Messrs. Laxmidas & Co. (Mr. Lakhmidas Ravjee Tersey.)
224 ,, Babubhai Anandji Minwala (Self).
225 Messrs Surajmal Lallubhai & Co. (Mr. Surajmal Lallubhai)
226 ,, J. N. Singh & Co. (Mr. C. B. Lall).

227 Mr. Mathuradas Goculdas. (Self).
228 Messrs. The Bombay Fancy Piecegoods Association (Mr. Naranji Dayal).
229 ,, Rustomji Edulji Dadachanji & Co. (Mr. Barjor Framroz R. Joshi).
230 ,, The Great Eastern Life Assurance Co. (Mr. M. V. Merchant).
231 Mr. Vasanji Thakersey Halai.
232 Messrs. The Oriental Engineering & Trading Co. Ltd. (Mr. N. S. Bayankar).
233 ,, Nagindas & Maneklal (Mr. Nagindas A. Adatia).
234 ,, Mavji Govindji & Co. (Mr. Mavji Govindji).
235 ,, The Bombay Yarn, Copper & Brass Native Merchants' Association (Mr. Maganlal Parbhudas).
236 ,, Trivedi & Co. (Mr. Girjashankar B. Trivedi).
237 ,, P. A. Dosal & Sons. (Mr. Ahmad Pyaralibhai).
238 ,, The Punjab National Bank, Ltd. (Lala Malik Khan Chandji).
239 ,, Bhimji Jeraj & Co. (Mr. Bhimji Jeraj).
240 Mr. Maneklal Chunilal Shroff. Self
241 Mr. Padamsinh Narsinhbhai ,,
242 Messrs. Taher & Co. (Mr. Jafferbhai Gullamalli).
243 Mr. Ramchandra M. Bhatt. Self.
244 Messrs, Jetha Devji & Co. (Mr. Laxmidas Devji).
245 ,, Jasooji & Sons. (Mr. Dhanraj M. Parekh).
246 Mr. Jamnadas Dwarkadas Dharamsey Self.
247 Mr. Jivandas Pitambar Self.
248 Mr. Jagjiwandas Narayan Mehta Self.
249 Messrs. L. R. Sampat & Co. (Mr. Liladhar Sunderji Roy Sampat).
250 ,, The Alembic Chemical works Co. Ltd. (Mr. Bhailal Dajibhai Amin).
251 Sir Shri Waghji Wadhwan Camp Manufacturing Co. Ltd., (Mr. Vishwanath P. Vaidya).

252 Mr. Jamnalal R. Bachharaj. Self.
253 Messrs. Batliwala & Karani. (Mr. B. A. Billimoria).
254 The Indian National Association
255 Mr. Mohomed Hussein Dehdashti Self.
256 Messrs. Morarji Goculdas & Co. (Mr. Manu Subedar.)
257 Mr. Maneklal Manilal Ranchhoddas Parikh Self
258 Messrs. Dolatram Kashiram & Co. (Mr. Chandulal R. Yagnik).
259 Mr. Ismail A. H. Moosa Self.
260 ,, Jamnadas Vassanji Munji Self.
261 ,, Gordhandas Bhimji Self.
262 Messrs. The Indian Cement Co. Ltd. (Mr. Phiroz J. Billimoria).
263 ,, Desai Chinai & Co. (Mr. Chunilal Jivanlal Chinai).

MEMBERS OF THE COMMITTEE OF THE INDIAN MERCHANTS' CHAMBER AND BUREAU FOR THE YEAR 1917-1918.

1 Sir Vithaldas D. Thakersey (Chairman.)
2 The Hon'ble Mr. Chunilal V. Mehta. (Vice Chairman).
3 ,, ,, Sir Dinshah E. Wacha.
4 ,, ,, Mr. Manamohandas Ramji.
5 ,, ,, ,, Purshottamdas Thakoredas.
6 ,, ,, Sir Ibrahim Rahimtula.
7 ,, ,, Mr. Lallubhai Samaldas C. I. E.
8 ,, ,, Sir Fazulbhoy Currimbhoy.
9 Sir. Shapurji B. Broacha.
10 Mr. Devidas Madhowji Thakersey.
11 ,, Motilal Kanji.
12 ,, S. E. Warden,
13 ,, Revashanker Jagjivan.
14 ,, Jethabhai Walji.
15 ,, Chaturbhuj Shivji.
16 ,, Motilal Vallabhji.
17 ,, Ratansey Moolji.
18 ,, Phiroz J. Billimoria.
19 ,, Moolji Haridas.
20 ,, Morarji Velji.
21 ,, Jamnadas Dwarkadas.
22 ,, Vasanji Thakersey Halai.
23 ,, Jehangir Bomanji Petit.
24 Hon'ble Mr. Piroze C. Sethna.
25 Mr. Mathuradas Vassonji Khimji.
26 ,, S. B. Bilimoria.
27 ,, Naranji Haribhai.
28 ,, Lakshmichand Manekchand Doshi.
29 ,, Jagannathji.

CHAIRMEN OF THE INDIAN MERCHANTS' CHAMBER & BUREAU.

Hon. Mr. Manmohandas Ramji 1907—1913.
,, ,, Purushottamdas Thakoredas 1913—1914.
,, Sir Fazulbhoy Currimbhoy 1914—1915.
,, ,, Dinshah Edulji Wacha 1915—1916.
,, Mr. Lallubhai Samaldas, C. I. E. 1916—1917.
Sir Vithaldas D. Thakersey, Kt. 1917—1918.

Secretary:—Mr. J. K. Mehta, M. A. 1907—1917.
,, S. S. Mehta, B. A. 1917.
Asst. Secretary:—Mr. D. K. Mehta.

Hon. Auditor:—Mr. A. E. Kama of Messrs. A. C. Rice & Co., Chartered Accountants.
Chamber's Solicitors:—Messrs. Edgelow, Gulabchand, Wadia & Co. Solicitors.

THE INDIAN MERCHANTS' CHAMBER AND BUREAU.

Annual General Meeting.

The Tenth Annual General Meeting of the members of the Indian Merchants' Chamber and Bureau was held at the Office of the Chamber, on Wednesday the 26th September, 1917 at 2 P.M. (B. T.) to transact the following business:—

1. To receive the report of the Managing Committee for the year 1916-1917.
2. To declare the election of the Members of the New Committee.
3. To appoint an Auditor to the Chamber for the ensuing year,
4. To consider the proposals of Mr. W. T. Halai regarding the standing Rules and Regulations of the Chamber.

The Hon. Mr. Lallubhai Samaldas, C. I. E., Chairman of the Chamber presided.

The following Members were present:—

Hon. Mr. Manmohandas Ramji.
,, ,, Phiroz C. Sethna.
,, ,, Lallubhai Samaldas, C. I. E.
,, ,, Chunilal V. Mehta.
Mr. Morarji Velji.
,, Chaturbhuj Shivji.
,, Jethabhai Valji.
,, Lalji Govindji.
,, Dwarkadas Raoji.
,, Vasanji Naranji.
,, Devidas Madhavji Thakersey.
,, Velji Govindji.
,, Gokuldas Jivraj.
,, Talakchand Gober.

Mr. Girdhardas Khimji.
,, Hirji Rustomji.
,, Naranji Narsinh.
,, Motilal Vallabhji.
,, Mulji Laxmidas.
,, Motilal Kanji.
,, Hirji Moolji.
,, Ranchhoddas Valabhai.
,, Kapoorchand Ramchand.
,, Dorabji Nasarvanji Pavri.
,, Chaturbhuj Purushotam.
,, Soonderji Damoder.
,, Harjivan Valji.
,, Vithaldas Cursondas.
,, Maneklal Bhaidas.
,, Narsinh Vallabhdas.
,, Palanji Dadabhoy Chaona.
,, O. H. Nazar.
,, Pestonji Edulji Dhala.
,, R. L. Sootaria.
,, Hirjibhai Shapoorji Pathak.
,, Jagannathji.
,, Lakshmidas Raoji Tershi.
,, Soorajmal Lallubhai.
,, Naranji Dayal.
,, M. V. Merchant.
,, W. T. Halai.
,, Nagindas A. Adatia.
,, Ramchandra M. Bhatt.
,, Jamnadas Dwarkadas.
,, Jagjivandas Narayandas Mehta.
,, Manu Subedar.
,, Ismail A. H. Moosa.
,, Jamnadas Vasanji Manji.
,, Maneklal Chunilal Shroff.

SPEECH OF THE HON'BLE MR. LALLUBHAI SAMALDAS, C. I. E.

Friends,

On the occasion of relinquishing the heavy and onerous responsibilities of the chairmanship of this important body to which you did me the honor of electing last year—I deem it my duty to supplement the annual report presented to you by a few remarks on the work done by your Committee, and to refer to some of the important subjects which are likely to come up for discussion during the next year. The latter duty properly belongs to the new chairman but in his unavoidable absence in Kashmir, you will, I hope, not mind my referring to the future also.

During the past year we have lost a valuable colleague by the death of Mr. Gopalji Walji. He had served on our Committee from the beginning and had rendered useful services in a quite unobtrusive manner. During the year the total number of members has increased by 20, twenty four having joined as new members and four having ceased to be members. The entrance fees of the former as well as the increase in the annual fees have enabled us to meet all calls upon our funds and to increase the closing balance by about Rs. 400. A Chamber like ours whose work grows from year to year and whose importance is recognized by the Imperial and local Governments as well as by the public cannot afford to live from hand to mouth. We must build up a large endowment fund and at the same time increase our annual income. Had there not been a call on our purse on account of the various war funds and the war loan, I would have gone round with some of our members to collect funds for an endowment fund. That work must now be undertaken and I am quite confident that Sir Vithaldas will seize the psychological moment to begin it. As you are aware the majority of your Committee decided to discontinue the grant to The Sydenham College of Commerce because they thought as that the College had passed

the initial stage and as it had proved its usefuluess, it was the duty of the Government to find all the moneys for its maintenance. It goes without saying that the paucity of our funds chiefly influenced the majority in this decision.

This decision seems to have been misinterpreted as an expression of want of confidence in this institution. I should like to draw your attention to the following remarks made by the Honourable Mr. Carmichael at the last Budget meeting of the Bombay Council.

"In that case I would appeal to both the Honourable members to try to move the associations which they represent to continue the contribution if not for anything else, then as a token that both the associations are in sympathy with the work which is being carried on in the College."

Both to counteract this interpretation and to have a hand in moulding the syllabus of the institution to suit our requirements, it is, I venture to say, necessary to continue the contributions towards the expenses of this College, which has supplied a link in the chain of the educational institutions of this Presidency. It is because of this call and similar urgent calls that there is a great necessity for improving the financial condition of our Chamber.

As you will have seen from the report, three matters of vital interest to Indian Trade and industries namely Railway management, the questions issued by the Indian Industrial Commission and the consideration of the Policy for the Trade after the War were referred to this Chamber for its opinion by the Government of India. Your Committee gave very careful consideration to all these important questions and have, they think, correctly represented the Indian point of view in all cases, and trust that the line of action taken by them will meet with your approval. The Industrial Commission had to suspend its sittings owing to Sir Thomas Holland's services being requisitioned by Government for

war purposes. Now that he has organized the Munitions Department, it is expected that he will find time to take up again the duties of the President of Industrial Commission which will probably begin its work in the first week of November in Bombay.

In this connection it is gratifying to note the change of the angle of vision regarding the Industrial development of this Country. His Excellency the Viceroy's speech which is really remarkable for its spirit of active sympathy with Indian aspirations is very welcome to us for laying down a clear definite policy about the Industrial development of this Country. Lord Chelmsford during his great speech said " It is in directions like this that the work of the Munitions Board will grow until at the end of the war its machinery should be ready to be utilized with practical effect in carrying out the recommendations of the Industrial Commission."

If the present machinery is utilized for making India Self-contained, if a gentleman of Sir Thomas Holland's capacity whose dream of heart according to the Viceroy is " the Industrial regeneration of India " is put at the head of that Machinery, and if the co-operation of the representatives of the non-official Communities is sought in the proper spirit, there is every room to hope that the Industrial progress of the country will be at a very rapid rate. Your Committee have nominated three members to give oral evidence in support of this Chamber's representation, and the fact that two of them have been elected by the Chamber as their Chairman and Vice-chairman shows that the choice of your Committee has fallen on the right persons. We must feel thankful to all these gentlemen for having agreed to undertake this responsible duty. No orders have been passed on the other two questions. A strong case has been made out by your Committee in favour of the state management of Railways and we hope that advantage will be taken of the termination of the agree-

ment with the E. I. Railway in the next year, to take over the management of that Railway by the State. The present war has demolished some of the old economic theories and set up new ideals for national economic progress, and if India is to take her place in line with other civilized countries in economic matters she must insist on having full liberty to take such action as will conduce to the fullest development of her industries and of her trade and commerce. This liberty means fiscal autonomy. I am not going to tire your patience by repeating the arguments put before you by my friend the Hon. Sir Dinsha Wacha at your last general meeting which are as true and as forcible to day as they were last year, but I do beseech you and the Committee to be always on the alert to support our demands for fiscal autonomy. We have pressed for the grant of such an autonomy in our representation on Trade after the War.

We may very well take advantage of the proposed visit of the Secretary of State to this Country to prepare a well thought out scheme for the grant of fiscal autonomy to this country and submit the same to him at a personal interview. Those who have come in personal contact with him know that he is a sound liberal statesman and has genuine sympathies with Indian aspirations, and that our proposals are sure to receive a sympathetic treatment at his hands. We may also at the same time press our claims for direct representation on the Imperial Council. If our sister Chambers in Bombay and Calcutta have got this right there is no reason why it should not be extended to us, when our work has been recognised as useful and important and when the interests we represent are so important and varied. Our representation to the Government of India has not, as you will notice from the report, received favourable consideration at the hands of that Government and we shall be perfectly justified in approaching the Secretary of State with our representation when he comes here for the purpose of getting first hand knowledge of Indian demands.

The raising of the Exchange to 1s. 5d. has had a very disquieting effect on trade interests. Your Committee have gone through the whole question and have appointed a small Sub-Committee on which experts have been coopted to draft a representation to the Finance Minister on the subject. That draft is now ready and perhaps will form the first item on the agenda of the new Committee. We are the first to acknowledge gratefully the splendid services of the British Army and Navy owing to which we are able to meet here in this calm atmosphere and discuss domestic problems as if this world wide war was not going on outside. We recognize the serious financial position created by the War, and realize the difficulties of the Secretary of State and the Finance member and yet we feel that we shall not be true to ourselves if we did not lay before the Government of India our view of the situation brought about by the raising of the Exchange.

I shall not take up your time by referring to other questions taken up by your Committee in the last year, as they are mentioned in the Report, but merely say that we have taken advantage of all opportunities whether they may be interviews with members of Government of India, or the social gathering to meet the Indian representatives to the War Conference, to put before them and through them before the Government of India the Indian point of view about trade and industries and have tried their best to look after and watch the interests of the Indian Mercantile Community.

I desire to draw your attention now to some rules which need some amendment. Rule 26 lays down the procedure for the election of the Chairman, Vice Chairman and members of the Committee. There is no provision for the previous nomination of candidates and as a result members of the Chamber have some difficulty in giving their votes in the absence of knowledge of probable candidates and some of their votes are thrown away. That more and more members are coming forward to serve on

the Committee is one of the most hopeful signs of the Chamber's future; and to give all candidates a fair chance it is advisable that the members of the Chamber must definitely know the names of the candidates at the time of voting. We must therefore amend Rule No. 26 to provide papers proposing and seconding the names of the candidates for the various offices being sent to the Secretary at least 8 days before the voting papers are sent out to the members. The Secretary must then prepare a list of candidates with the names of the proposer and seconder and send the list with the voting paper to the members of the Chamber. This will help the members in deciding as to whom they should give their votes, and no votes will be thrown away.

I welcome the advent of four new members on the Committee as a result of the election. The desire to serve on the Committee betokens a healthy activity and I am sure our four new colleagues will prove useful to the Committee in the arduous work which lies before them.

In conclusion, I have to express my sense of gratefulness to my colleagues for the valuable assistance I have received from them in carrying out the work of our Chamber. I believe you know that the services of our Secretary Mr. Jayasuklal K. Mehta have been asked by the Munitions Board, and that your Committee while sorry to lose Mr. Mehta's assistance, have agreed to lend his services as War help. Mr. Mehta has been the Secretary of this institution from the time of its inception. Since the time that I began to serve on your Committee I noticed his capability, industry and zeal for his work. During the last two years I have had far greater opportunities of coming in contact with Mr. Mehta, and I have the greatest pleasure in testifying to his grasp of Commercial questions, his capacity of mastering new questions, his earnest desire to strengthen the position of this Chamber and his personal devotion to those with whom he had to work. I may say that all my predecessors have had the same high opinion of Mr. Mehta's

ability and loyalty and it is no exaggeration to say that the present position of the Chamber is largely due to his honest efforts to secure that position for it. Although Mr. Mehta is leaving us for the time that the war lasts and the Munitions Board continues its existence, I feel that he will prove himself so very useful to the Munitions Board that when reconstitution of all these departments takes place they will find a place for him in one of the Departments and not allow him to come back. It is therefore fitting that the Chamber must put on record its high appreciation of the splendid services rendered by Mr. Mehta during the ten years that he worked as Secretary of the Chamber.

HON'BLE MR. C. V. MEHTA'S SPEECH.

In seconding the proposition of the Hon. Mr. Lallubhai Samaldas, the Hon. Mr. C. V. Mehta said :—In the absence of Sir Vithaldas D. Thakersey, the Chairman of the ensuing year I support the proposal of the Chairman of the last year in the capacity of the Vice-Chairman. It appears to me from the interesting speech you have just heard that there are two important matters before us. The first relates to our representation in the matter of the raising of the rate of exchange. A strong committee has been sitting for some time past and we shall send our representation at an early date. The other has reference to the proposed visit of the Rt. Hon. Mr. Montague, the Secretary of the State. You are all aware that several reforms, political, commercial and others are under contemplation. The Indian Commercial Community must take advantage of this opportunity and bring before his notice their just claims. At present, the Indian Industrial Commission has ruled out of its scope the most important question of Fiscal Autonomy. This created considerable dissatisfaction from the start ; and our representation to Mr. Montague must be based on the granting of Fiscal Autonomy to this country without which substantial progress can not be made.

SPEECH OF MR. W. T. HALAI.

GENTLEMEN,

It is one full year since we are meeting again in this Hall. It will not be inopportune if I briefly recapitulate what happened last year. I then drew your attention to making our chamber more democratic by holding its periodical meetings and discussing questions of importance arising during the war and thereafter. I also appealed for providing a suitable Hall for the Chamber which might accomodate us more comfortably than the one in which we are to-day and appealed for raising subscriptions and also appealed for improvement of the financial position of the Chamber. Our worthy Chairman, as you will recollect, assured us last year that the said suggestions would receive the serious attention of the Committee but from the agenda of to-day's meeting you will notice that as the Committee has not thought it desirable to move in this direction I have given notice of bringing the said proposals for your acceptance along with certain other ammendments to the existing rules which I have no doubt will surely appeal to each one of you. As I will have to dwell upon the grounds on the said question as I move each of my propositions I do not propose to take up your time at this stage. I will therefore rest content with touching upon the subjects which are incorporated within the four corners of the report and the sheet of Income and Expenditure annexed thereto. I feel I can hardly congratulate the Committee over the financial position of the Chamber as disclosed therein. The important or rather the most important fact to be borne in mind is that this year the Chamber had not to incur any abnormal expenses and notwithstanding the said fact if it is not able enough to show any tangible financial result it would not be possible for the chamber during other times to cope with its responsibilities ; and to my mind it would seem really very bad if no steps were taken in this direction. Stronger efforts are needed for increasing the number of members. This can be done only by making the

Chamber more popular among the mercantile community by ventilating their legislative grievances and protecting their interests. The other remedy is of having a housing of its own for which a substantive proposition will be placed before you shortly.

As appears from the report placed before you the committee of the chamber has tackled about 40 questions of importance in the course of the year but the stranger part of it is that the committee has not thought it necessary either to hear from you or ascertain from you your individual views on the various questions as they came before it. No doubt over the question of State v/s Company management of Railways the committee has voiced your sentiments advocating state management but had the committee preferred to invite you to know your views very probably some of you gentlemen present here would have been able to fortify your committee further by urging the nationalisation of Railway and the effective popular control in the Railway Board which alone can save you from the present ruinous Railway policy.

We are told that the Government has requisitioned the services of our Secretary for the munition board for a responsible post which shows that Government have marked out a man trained by this chamber under some of its able leaders but the matter of regret is that Government have not seen their way to give the chamber adequate representation in the Bombay Council. They have given the chamber no representation either on the Municipal Corporation or on the Improvement Trust nor in the Imperial Council. Are we to suppose that the Indian Mercantile Community have absolutely no interest in either the welfare of our city or in the councils of India ? You will be probably told that your committee has representated this matter to Government but without effect. I say that the voice of your committee has been too feeble to be heard. It is the characteristic of the European Community that if once you tell them your suggestion either falls on deaf ears or your representation is consigned to the big basket underneath the table.

When you say or write a second time you might be able to get a reply that your suggestion is not practicable or not acceptable but the impracticable and unacceptable thing becomes practicable and acceptable only when you persistently hammer the question with tenacity and perseverance. You have to convince them that your interests in the questions are far greater than those of the European mercantile community, who are after all mere " birds of passage " having no permanent interest. Take only one instance of the railway grievances. The serial entry and serial loading over which this chamber and other Indian commercial interests fought hard has been once more shelved. I would therefore appeal to your committee not to rest content with a solitary representation but to go on pressing the same and if your committee will invite you more often you will be able to raise a louder and a stronger voice which will surely be ultimately heard. Mr. Montague is coming to India and these are the questions which require to be constantly agitated and placed before him for prompt redress.

There are other questions such as item No. 4 in the report viz the question of reduction of duty on Alcohol required for industrial purposes. It is only the man in the line who knows as to how many an Indian Industry is killed by reason of the prohibitive duty who alone can tell as to how great is the need for the abolition of the duty on Alchol to be used for industrial purposes and thereby fight out our German and Austrian enemies in the commercial war not only at present but in future as well.

Take the tariff valuation of the goods clasification question. The same rule will apply. The question is not as to what is to be done after the war for industrial developments but the question is what are the disabilities under which we are placed and what prompt steps should be taken for their redress.

Those of you gentlemen who may have received hits by the failure of Banks and their mismanagement will no doubt agree

that in the joint stock companies management a prescribed form of balance sheet as also of profit and loss account is necessary and your committee will have done well to have this question discussed by you rather than sending a laconic reply to the suggestion. The question of the moment is the present government policy regarding the unstable exchange which is likely to put mercantile community and the industrial concerns to considerable loss and it is necessary that the said question be also put forward by the chamber most earnestly and tactfully.

It is not possible within the short space of time that would be allowed to me to refer in the yearly meeting to questions of greater importance, but I would appeal your committee to take you more into their confidence and not to get discouraged by either the refusals or the evasions of the Government officials, but to repeatedly go on pressing the legitimate demands. This done I do not dispair over the future.

THE RESULT OF THE BALLOT FOR THE CHAIRMAN, VICE-CHAIRMAN AND MEMBERS OF THE COMMITTEE FOR THE ENSUING YEAR WAS THEN ANNOUNCED AS FOLLOWS:—

1. Sir Vithaldas D. Thakersey (Chairman).
2. The Hon'ble Mr. Chunilal V. Mehta. (Vice Chairman).
3. " " Sir Dinsha E. Wacha.
4. " " Mr. Manmohandas Ramji.
5. " " " Purushottamdas Thakoredas.
6. " " Sir Ibrahim Rahimtulla.
7. " " Mr. Lallubhai Samaldas, C. I. E.
8. " " Sir Fazulbhoy Currimbhoy.
9. Sir Shapurji B. Broacha.
10. Mr. Devidas Madhowji Thakersey.
11. " Motilal Kanji.
12. " S. E. Warden.
13. " Revashanker Jagjivan.
14. " Jethabhai Walji.
15. " Chaturbhuj Shivji.
16. " Motilal Vallabhji.
17. " Ratansey Moolji.
18. " Phiroz J. Billimoria.
19. " Moolji Haridas.
20. " Morarji Velji.
21. " Jamnadas Dwarkadas.
22. " Vasanji Thakersey Halai.
23. " Jehangir Bomanji Petit.
24. Honourable Mr. Piroze C. Sethna.
25. Mr. Mathuradas Vassonji.

REPORT OF THE COMMITTEE OF THE INDIAN MERCHANTS' CHAMBER AND BUREAU FOR THE YEAR 1916-1917 TO BE PRESENTED TO THE GENERAL MEETING TO BE HELD ON WEDNESDAY THE 26TH SEPTEMBER, 1917.

The Committee have great pleasure in presenting the Tenth Annual Report to your Chamber. During the course of the year 34 meetings were held, the work done being of a varied and important nature.

The principal subjects discussed were :—

1. Imports from Switzerland. It was brought to the attention of the Committee by a member that goods coming from Switzerland were held up on the Italian frontier and Swiss exporters were required to furnish authentic proof in the shape of the original makers' invoices that the goods were actually Swiss. It was alleged that the Italian Customs Officials ignored the declaration of the Swiss Chamber of Commerce before whom the original invoices had been placed and also the official attest of the British Consul who signed the certificates of origin. In addition to both these guarantees the goods were said to be accompanied by a declaration on the part of the Italian Consul in Switzerland. Notwithstanding this the

difficulties complained of above were alleged to be placed at the Italian frontier on goods coming from Switzerland. The Committee brought the matter to the notice of the Secretary, Commerce and Industry Department, Government of India, requesting him to take action in the matter by writing to the British Consul in Italy to intervene in this matter or to inform the Committee of facts if any which were not brought out in the letter of the member of the Chamber which justified the action of the Italian Customs authorities.

2. Representation of the Council.

The Committee sent a representation to the Commerce and Industry Department, Government of India, praying that the Indian Merchants' Chamber be allowed the right of electing a representative on the Imperial Council, a right which was accorded to sister European Chambers of Bombay and Bengal. This representation was sent in view of the memorandum submitted to H. E. the Viceroy by the elected non-official members of the Imperial Legislative Council. It was pointed out that according to the regulations made under the Indian Councils Act 1909 the Bombay Chamber of Commerce and the Bengal Chamber of Commerce who mainly represented European Trade and Commerce were given the right to send one member each to the Imperial Legislative Council, while Indian Trade and Commerce were represented by only one member who was nominated by H. E. the Viceroy. In reply to this they were informed that the Government of India regretted that they were unable at present to recommend the petition to the Secretary of State, but that the question of the representation of Indian trade interests generally would receive due attention, as in the past, whenever the modification of the constitution of the Legislative Councils came under consideration.

3. State vs. Company Management of Railways. The Committee received a communication from the Railway Board requesting them to send their replies to the following questions but observing at the same time that they would welcome any remarks the Chamber migh wish to make on the more general considerations involved in the case.

(1). What particular railway or railways do your members most frequently have dealings with?

(2). If with both State and Company managed lines, does experience of your Chamber lead to the belief that the public are better served by one than by the other in—*(a)*. promptitude of despatch and delivery, *(b)*. in rates, *(c)* in the manner of dealing with complaints, *(d)*. in the care and handling of goods, *(e)*. in the matter of passenger traffic?

(3). If dealings are with one system of railway only, have you complaints to make under any of the sub-heads to the question (2).

The Committee replied that they had given careful consideration to the various arguments in favour of the State Management as well as the Company Management and also to the conditions applying to this country and had come to the conclusion that the management of Railways by the State was best suited to the country for several reasons.

4. Reduction in duty on Alcohol to be used for industrial purposes. The Committee were informed by the Collector of Bombay that the Government of India were considering a proposal made by the Government of Bombay whether selected local industries which were seeking to replace imported Chemicals by local manufacture should be allowed to purchase Indian manufactured rectified spirit for use in industrial processes free or at a reduced

rate of duty of 7½ per cent. *ad valorem*, instead of paying the present rate of duty of Rs, 11-4 per gallon, L. P. The Committee were requested for an expression of their views on the matter and information on the following points.—(1) What are the industries in which Indian Rectified Spirit is used or can be used, or in which imported chemicals are replaced or can be replaced by those of local manufacture by the use of Indian Rectified Spirit?

(2) What are the names of the firms or individuals who are conducting those industries or are likely to conduct them?

(3) What would be the quantity of Rectified spirit used or likely to be used per annum by each firm or individual referred to in (2) above?

(4) In the industries referred to in (1) above, would denatured be unsuitable or deleterious?

(5) Would it be necessary to impose any safeguards to prevent the misuse of such a concession? If so, what should they be?

The Committee stated in reply that alcohol for use in industrial processes should be free of duty and drew the attention of the Government to their representation dated the 14th April 1915 on that very question. Assuming that Indian manufactured rectified spirit will be made free of duty for use in industrial purposes, the Committee offered the following suggestions regarding the duty on manufactured products containing the spirit :—

(*a*). The duty charged on spirit contents of articles manufactured here and classed as under should be 20

per cent lower than the duty on the same imported from abroad.

(1). Perfumed spirit manufactured in India.

(2). Spirit contained in bona fide medicinal preparations.

(*b*). Rectified Spirit and absolute alcohol for the bona fide use of colleges, schools and research laboratories and other educational institutions may be given duty free on a requisition being made by the head of any such institutions to the Government.

(*c*). If Indian made rectified spirit in any of its forms is exported abroad no duty to be charged in India on such spirits.

Information was also given regarding the queries put in the letter of the Government.

5. Indo French Trade. The Committee noted a letter from the Government about the visit of a deputation of Messrs. Chadwick and Black to France and informing them that in case any business men wished to go to France to join Mr. Chadwick's deputation at their own expence, they might do so.

6. Development of Cotton. The Committee were addressed by Mr. Kenny, Director of Agriculture to H. H. the Nizam's dominions and Prof. Faulkner of Punjab drawing their attention in the first case to the supply of guaranteed pure Gaurani kapas grown from Government seed sufficient to make 4000 bales of rui, and in the second to the auctions of American Cotton at different places in Punjab. The Committee welcomed the valuable work done in both the places for the development of cotton and issued

circulars to people interested in cotton, informing them of all the arrangemants made by Mr. Kenny and Prof. Faulkner.

7. Tariff Valuation Meeting. The following two gentlemen were nominated as representatives of the Committee on the Tariff valuation Meeting held on the 22nd November 1916 in the office of the Bombay Chamber of Commerce.

(1) Mr. Sorabji Edulji Warden.

(2) Mr. Motilal Vallabhji.

8. Amendment of the Presidency Act. The Committee were asked their views regarding the proposal to amend the Presidency Banks Act, so as to enable the Presidency Banks to deal in Stocks, Shares and debentures of Railways, the dividend or interest on which was guaranteed by District Boards. The Committee approved of the suggestion but at the same time thought it advisable to confine the securities in which Presidency Banks would thus be permitted to transact business to those of which the interest was guaranteed by Boards empowered to levy a special cess for the development of local light railways and tramways. They did not approve of dealings by Presidency Banks in shares of Railway Companies the interest on which was only guaranteed by District Boards for a stated period and not in perpetuity.

9. Statistical Class. The Committee received a letter from Principal Anstey of the Sydenham College of Commerce stating that a special department of statistics had recently been formed at the Sydenham College of Commerce and Economics under Professor Burnett-Hurst. Their opinion was solicited as to the precise demands on the part of Commercial firms for young men trained in the

handling of statistical work, in other words as to the openings that might exist for those who elected to take up this subject as a speciality and whose qualifications might, subject to Government's sanctioning the proposal be guaranteed—apart from the University Degree by a College Diploma in statistics. The Committee approved of such a statistical class but observed that there was a limited scope for employment at present at least for students getting their diploma in Statistics.

10. Proposed enhancement of the authorisedGoods classification of a few comodities.

The Committee were approached by the Madras and Southern Mahratta Railway Co. Ltd., with a request that they be pleased to approve of the proposed enhancement of the authorized Goods classification of a few commodities in which the traffic was, comparatively speaking, unimportant and which would bear a higher classification without prejudice to the trade. The Committee replied that they had no objection to the proposed enhancement excepting in the case of the following articles, traffic in which appeared to them to be considerable :—

(1) Machinery. (2) Bamboos. (3) Potatoes. The Railways again replied explaining how traffic in these commodities was not really considerable. With regard to bamboos the smalls did not form even 1 per cent. of the traffic sent in waggon loads. Potatoes traffic to Madras was mostly carried from distant stations and the quantity booked from stations less than 200 miles distant fell below 1 per cent. of the total. With regard to machinery the withdrawal of the 1st class rate for wagon loads could not result in increased earnings to the Railway or loss to the trade. The Committee after consideration of these explanations saw no objection to the withdrawal of the exceptional classification for these three Commodities.

11. Remarks on Bills of Lading. In reply to a letter of the Indian National Association of Zanzibar the Committee observed that the remarks in bills of lading pro forma "not responsible for marks and contents" were to be found on bills of lading of all shipping companies. It was found that there was no complaint locally against those remarks and they did not propose therefore to take any action in the matter.

12. British Preferential Tariff. The Committee sent a representation to the Secretary, Commerce and Industry Department, Government of India, that India should be put on a preferential treatment in Colonies like South Africa with which she had been able to do a large business recently. She imported practically at a nominal rate of duty, goods from all the colonies including South Africa and it was but fair that she should get preferential treatment from them. The reply from the Commerce and Industry Department was to the effect that the question of the final relations between India and South Africa was considered in 1903 when it was stated that the policy of the Government of India precluded the offer of any corresponding concession to South African produce imported into India. As the Government of India were not thus in a position to treat with the South African Colonies on this basis, negotiations were allowed to drop. The general question of trade relations between different portions of the Empire would come under consideration in connection with questions of commercial policy to be adopted after the War, and the Government of India considered that it would be premature to make any further statement at present.

13. Quarterly Rail and River-borne trade returns of India.

In reply to a letter from the Hon'ble Mr. Keatings C.I.E., I.C.S. Director of Agriculture, Bombay Presidency, the Committee informed him that they had no objection to the discontinuance of the publication of the Quarterly Rail and River borne Trade returns of India during the War period.

14. Industrial Commission.

In reply to a letter from the Indian Industrial Commission enclosing a set of questions, the Committee sent their replies and nominated the following three gentlemen to be their representatives to give oral evidence at the time of the Commission to Bombay.

(1) Sir Vithaldas D. Thakersey.

(2) Hon'ble Mr. Chunilal V. Mehta.

(3) Mr. S. E. Warden.

15. Trade after the war.

In reply to a letter from Government regarding the trade policy to be followed after War the Committee sent their views after a long consideration of questions dealt with in the memorandum of Government.

16. Representatives of India at the Imperial War Conference.

The Chamber gave an afternoon Party to H. H. the Maharaja of Bikaner, His Honour Sir James Meston and Sir S. P. Sinha nominated by Government as representatives of India on the Imperial War Conference.

17. Speculation in Kutcha Americans.

In reply to a letter from Bombay Cotton Trade Association the Committee agreed with its Directors that speculation in what was known as "Kutcha Americans" was a pure gambling in differences and that therefore steps should be taken to put a stop to this evil.

18. Preference for Empire Made Sugar.

A letter was received from the Secretary, Indian Sugar Producers' Association requesting the Committee to accord their support to the memorial of the British Empire Producers' Organization, urging "Empire self supporting policy embodying preference for consideration of the Imperial Conference." The Committee replied that in the absence of fuller information they regretted they could not support the proposed memorial.

19. Prescribed Form of Profit and Loss Account.

The Committee received a letter from Mr. C. I. Parekh, a member of the Chamber, asking them as to whether they considered it important to have a prescribed form of Profit and Loss account just as the form of Balance Sheet was prescribed in the Indian Companies' Act. A copy of a Profit and Loss account of a concern was enclosed and it was alleged that Agents prepared the Profit and Loss account as they liked without giving any particulars to the shareholders about office expenses, agents' commission and any other charges incurred. The Committee regretted that they did not feel inclined to support the suggestion.

20. Priority Committee.

The Committee regretted to note with reference to the letter of the Government of the 23rd February 1917 enclosing a Press Communique regarding the appointment of Priority Committees at Bombay and Karachi that they were not given the privilege of nominating a representative on this Committee. To this a reply was received from Government that in order to secure celerity of working it had been determined to keep the Committee as small in numbers as possible. It was not possible to have all the important bodies, who might in other circumstances claim recognition, represented upon it. In these circumstances the Governor in Council regretted that it was not posssible to meet the wishes of the Committee by increasing the size of

the Committee. The Committee again replied pointing out that this Chamber represented the Indian Commercial Community as a whole and that the presence of its representative on the Priority Committee would assure the different Indian Commercial interests, that their interests would be well looked after without in any way making the Committee an unwieldy one, and requested Government to reconsider their decision. Government in their letter on the 31st May 1917 informed the Committee that after further consideration of the matter they were pleased to comply with the request made by the Chamber for the appointment of a representative nominated by it on the Priority Committe. The Chamber was requested to communicate to Government the name of the representative whom it wished to nominate on the Committee. The Committee proposed the name of the Hon'ble Mr. Munmohandas Ramji for nomination on the Committee.

21. The new Taxation. The Committee sent a telegram to the Hon'ble Sir William Meyer welcoming increase in import duties on cotton goods without increasing excise duty. They noted with regret attempts of interested parties blinded by selfish motives to interfere with Finance Minister's proposals and observed that any attempt to alter this increase would be viewed with deep disappointment and dissatisfaction throughout the whole country.

22. Changes in Statistics. A letter was received from the Director of Statistics stating that the question of additions to or alterations in the lists of articles separately enumerated in the Sea-borne trade returns was under consideration. The Committee were requested to suggest any modification they might wish to make therein. They suggested several modifications.

23. Crop Forecasts. In reply to a letter of the Director of Statistics asking for the names of members of the Chamber who would like to have Crop Forecasts sent to them directly, such a list was prepared and sent to him.

24. Revision of the Indian Income Tax Act. The Committee received a letter from the Collector of Income Tax asking their views about the proposed revision of the Income Tax Act. The Committee among other things suggested that the percentage of depreciation allowed on machinery should be made uniform in all the Provinces as it was not right that there should be such diversities in different parts of the country for the same class of machinery. They drew the attention of the Government to the great deal of hardship experienced by people———specially by the poor and ignorant class—in getting refund of income tax deducted by Government from the interest on Goverment Securities. In view of the fact that the Income Tax Department was now invested with powers for calling for statements of income tax from any individuals or firms, the Committee thought that this procedure should be discontinued and no deduction should be made from interest on Government Securities. If however Government were not prepared to discontinue such an old procedure, it should atleast be provided that only five pies in a rupee should be deducted and not one anna in a Rupee, as the higher percentage had to be paid only by people of income of over Rs. 25,000. Another suggestion was with regard to bad debts. The Income Tax Office made no deduction for debts which were not still adjudicated and the Committee expressed their opinion that some change should be introduced in the procedure by which the assesse firm could, in such cases, claim refund for income tax it had

paid on an amount which proved to be a total loss to it. The Committee also thought that in order to prevent possible abuses from revenue officers being also income tax officers in the mofussil an appeal should be allowed to some authority in the Presidency town where the parties could appear in person or by attorney to represent their case. At present an appeal was allowed to His Excellency the Governor in Council, but as parties could not appear in person or by their constituted attorney, the Committee thought that the setting up of an intermediate appeal authority in Presidency towns where the parties could appear in person or by constituted attorney would give a much needed relief to mofussil people.

25. Imports of Old Newspapers. The Committee received complaints to the effect that some of the merchants, who had entered into large purchase contracts before the Government prohibition of the imports of old newspapers was announced, would have to incur a serious loss if these contracts had to be cancelled as the goods would be sold off on their account in auction and the difference realised from them. The Committee thereupon sent a telegram to the Secretary, Commerce and Industry Department of India, requesting the Government to be pleased to allow licenses in case of those purchase contracts which were entered into before the date of the Government resolution which would save the merchants from much unnecessary loss. The Government in reply regretted that nothing could be done in the matter.

26. Hall marking of Gold and Silver. The Committee recorded a letter from the Collector of Customs announcing that Government did not wish to introduce the system of the hall marking of Gold and Silver as was suggested by the Bombay Presidency Trades Association. This announcement, it may be

noted, was in accordance with the opinion expressed at the time by this Committee.

27. Financial Stringency. The Committee sent a telegram to the Hon'ble the Finance Minister drawing his attention to the considerable hampering of the export trade of India due to restricted sales of Council Bills and requested him to open exchange to relieve stringency of money market in trade centres.

28. City Civil Court Scheme. The question of the present high cost of justice had been long since referred to the Committee by the Government. After considering it fully the Committee could not come to an unanimous decision regarding the machinery to be adopted for this purpose. They however put forward two alternative proposals namely :—(1) That there should be established the city Civil Court on the lines of that already existing in Madras or (2) that the Jurisdiction of the Small Causes Court should be increased. The representation of the Committee on this question has been already published.

29. The Holi Holiday. The Committee were asked their opinion by the Government as to whether it would be more suitable and convenient to fix the second day of Holi as Bank Holiday. The Committee approved of this proposal.

30. Death of Dr. Dadabhai Navroji. It was resolved to send a letter of condolence to the family of the late Dr. Dadabhai Navroji on the sad event of his death.

31. Indo-Russian Trade. The Committee received a communication from the Government enclosing report on the Indo-Russian Trade by Messrs. Chadwick and Black and asking their opinion about some suggestions put forward in the report. A Sub-Committee is appointed to consider this question.

32. Meeting of Goods Classification Committee.

The Committee received a letter from the Secretary, The Indian Railway Conference Association, informing them that the meeting of the Goods Classification Committee would be held at Poona in the latter part of August and inviting them to send their suggestions if any, for consideration by that Committee. The Committee of this Chamber circularized this among all the members of the Chamber asking for suggestions. Several of these suggestions were received and these were communicated to the Indian Railway Conference Association by the Committee.

33. Improvement of Hemp.

The Committee were consulted by the Government regarding the proposed adoption ot measures for ensuring improvements in hemp exported to the United Kingdom. The Committee observed in reply that it was neither practicable nor necessary to have recourse to legislation in connection with any proposal to attempt the grading of hemp in India for export.

34. Wharfage Rules

A member drew the attention of the Committee to the inconvenience they have suffered "Owing to several strict methods of recovering Wharfage charges without any regard to surrounding circumstances which required due consideration for the exigencies of the trade." It was observed that according to usual bazar system they accepted Railway receipts from their sellers or received them from their upcountry agents. It frequently happened that many of the lots were partly or largely damaged and the delivery of these was somewhat delayed. It was suggested therefore that the Railway Company should allow facility for the removal of the damaged bags by foregoing a day's wharfage. The Committee regretted that they could not see their way to address

the Railway Company, as, as far as they understood, it was a matter entirely between two private parties and not between merchants and the Railway Companies. In case of dispute or difference between these private parties it would not be reasonable, the Committee felt, to ask the Railway Company to extend the days of grace for Wharfage purposes.

35. Internment of Mrs. Besant & others.

Mr. W. T. Halai suggested that the Committee should pass resolusions regarding the speech of His Excellency Lord Pentland, internments of Mrs. Besant and others and the aspersions cast on Lord Hardinge and send copies of these resolutions to the Premier. The Committee carefully considered all these suggestions and regretted their inability to accept them because of Rule No. 2 of the Chamber.

36. Death of Mr. Gopalji Walji Sunderji.

It was resolved to send a letter of condolence to the family of the late Mr. Gopalji Walji Sunderji on the death of Mr. Gopalji Walji Sunderji who was a member of the Committee for a long time.

37. Interviews with officials.

During the year of the Report your Committee had very important interviews with the Hon. Sir William Meyer, and the Hon. Sir George Barnes.

38. War notes and Notifications.

From the commencement of the war Government have been pleased to keep your Committee in touch with all the important changes and modifications effected in the existing procedure regarding departments connected with trade and commerce. Important announcements regarding imports and exports, telegrams, shipping etc, have been forwarded to your Committee as soon as possible for information of the Members of the Chamber. These have been regularly circulated through their Journal and also through special extra circulars. Your

Committee beg to express their thanks to the Government for this courtesy.

39. The Journal. The journal of this Chamber is making a continually steady progress and acquiring greater popularity.

40. Membership of the Chamber. There was an increase of 24 members in the membership of the Chamber and 4 ceased to be members.

41. Balance-Sheet. The Balance-Sheet of the Chamber audited by the Honorary Auditor Mr. Cama of Messrs. A. F. Cama & Co., is appended herewith.

J. K. MEHTA,
Secretary.

BALANCE SHEET.

THE INDIAN MERCHANTS' CHAMBER AND BUREAU.

Income and Expenditure Account for the year ended 31st August 1917.

EXPENSES.	Amount. Rs.	as.	ps.	Amount. Rs.	as.	ps.
To Office Establishment, Rent, Insurance, Etc.	4,852	9	9			
,, Postage and Telegrams	356	12	3			
,, Miscellaneous Expenses	274	2	9			
,, Subscriptions to the various books, journals and Magazines	639	12	5			
,, Printing Chamber's Reports, representation Etc.	1,458	8	0			
,, Printing Chamber's Journal	2,489	0	0			
,, Donation to the College of Commerce	1,000	0	0			
,, Commission on Advertisement	571	11	8			
,, Stationery	357	14	0			
,, Carriage hire and law charges	84	13	0			
,, Furniture	7	1	0			
,, Commercial Inquiry	4	12	0			
,, Advertisement of the Journal	13	0	0			
				12,110	0	10
,, Balance Carried Forward.						
4% Port Trust bonds at cost	2,025	0	0			
,, Cash at the Bank of India Ltd.	1,574	13	11			
,, Cash on hand	42	4	11			
				3,642	2	10
	Total Rs....			15,752	3	8

I have examined the above account of Income and Expenditure with books and vouchers of the Indian Merchants' Chamber and Bureau, and certify the same to be correct.

A. E. CAMA,
Chartered Accountant.

Bombay, 3rd September 1917.

INCOME.

	Amount. Rs. as. ps.	Amount. Rs. as. ps.
By balance brought forward	.....	3,197 0 5
„ Admission Fees.		
24 new members at Rs. 50 each	1,200 0 0	1,200 0 0
„ Outstanding Admission Fees realised	.....	50 0 0
„ Membership Subscriptions.		
249 Town members at Rs. 30 each	7,470 0 0	
„ 5 Associations at Rs. 100 each	500 0 0	
„ 8 Up country members at Rs. 5 each	40 0 0	
Total Rs...	8,010 0 0	
Less. Subscription Outstanding	95 0 0	
		7,915 0 0
Outstanding membership subscription realized	.....	155 0 0
„ Subscription to the Journal	.....	763 3 6
„ Advertisements...	.....	2,356 11 4
„ Interest on Port Trust bonds and Current Accounts	.....	115 4 5
		15,752 3 8

J. K. MEHTA.
Secretary.

LALUBHAI SAMALDAS.
Chairman.

APPENDIX 1.

List of Magazines & Papers received by the Chamber during the year under Report.

Weekly Issues.

1. The Bombay Government Gazette.
2. The Gazette of India.
3. The Gazette of India. (extra ordinary.)
4. The Board of Trade Journal.
5. The Investor's Review.
6. The Indian Trade Journal.
7. The Capital.
8. The Statist.
9. The Economist.
10. Commerce.
11. Commerce and Finance.
12. New Statesman.

Monthly Issues.

13. London Chamber of Commerce Magazine.
14. Manchester ,, ,, ,,
15. Birmingham ,, ,, ,,
16. Liverpool ,, ,, ,,
17. International Review of the science & practice of agriculture.
18. International crop report & agricultural statistics.
19. Bulletin of agricultural intelligence.
20. Cotton Spinning & Weaving returns in Indian Mills.
21. Sea Borne Trade.
22. Trade by land.
23. The Mysore economic Journal.
24. The Modern Review.
25. System.

26. The Banker's Magazine.
27. The American Review of Reviews.

Quarterly Issues.

28. The Indian Journal of Economics.
29. The Times History of the World. (in fortnightly parts.)

APPENDIX 2.

All Government publications are supplied free to the Chamber.

APPENDIX No. 3.

Imports from Switzerland.

10th October 1916.

From

The Chairman,

The Indian Merchants' Chamber and Bureau,

BOMBAY.

To

The Hon'ble Mr. C. E. Low, C. I. E., I. C. S.,

Secretary,

Commerce and Industry Department,

Government of India,

SIMLA.

DEAR SIR,

I am desired by my Committee to send you a copy of a letter received by Messrs. Mudunjee Mohanjee & Co. of Bombay from their Zurich agents Messrs. E. Zollinger & Co. You will see from the letter that Messrs. E. Zollinger & Co. say that although the British Consul has given a certificate of origin to their goods the Italian Customs authorities are holding them up. My Committee think that this is a matter which must be brought to your notice, so that you may take action in the matter by writing to the British Consul in Italy to intervene in this matter or may tell my Committee if there are any facts not brought out in this letter which justify the action of the Italian Customs authorities.

Yours faithfully,

(Sd.) LALLUBHAI SAMALDAS.

Chairman.

Zurich 27th July, 1916.

Messrs. Mudanjee, Mohonjee & Co.

BOMBAY.

DEAR SIRS,

Shipments:—This week we have again had occasion to suffer considerable inconvenience and pecuniary loss owing to the unscrupulous tactics of the Italian Customs Authorities. Not only our goods, but as far as we learn the whole of the goods belonging to Swiss Exporters intended for the July steamer have been held up on the Italian frontier simply because some overzealous official got the idea in his head that we and our neighbours not being manufacturers ourselves, ought to furnish authentic proof in the shape of the original makers' invoices that the goods are actually Swiss.

In other words these Italian Customs officials ignore the declaration of the Swiss Chamber of Commerce before whom the original invoices have been placed and they also ignore the official attest of the British Consul who signs the Certificate of origin.

This practise of pure chicanery on the part of the Italian authorities ought really to be stopped and we think that a combined action on the part of the Indian importers of Swiss goods should be able to induce your Chamber of Commerce to approach the Italian Government in the matter. We certainly do not think that British Indian buyers should have such difficulties put in their way of doing business with neutral countries. We could understand the Italian authorities wishing to have proof of the origin of the goods if they are intended for use in their own country, but what right have they to interfere with goods bought by British subjects and for which the British Consul and the Chamber of Commerce here practically guarantee the origin. In addition to both these guarantees the goods are actually accompanied by a declara-

tion on the part of the Italian Consul here and yet these officials create difficulties. It they do not believe their own Consuls, what will they believe?

For us the matter is most annoying, not only will the goods now miss the July boat, but we shall probably have to pay heavy warehouse charges and lose our interest into the bargain.

We are writing to our other clients in a similar sense and we should be glad if you would take the initative and send a protest signed by others interested in the Swiss trade to the Chamber of Commerce with a view of their approaching the Italian Government.

We remain, Dear Sirs,

Yours faithfully,

(Sd.) E. ZOLLINGER & Co.

GOVERNMENT OF INDIA.

Department of Commerce and Industry.

No. 10475-W-II. Simla, the 26th October 1916.

From

G. S. HARDY, Esquire, I. C. S.,

Under Secretary to the Government of India,

To

The Chairman,

Indian Merchants' Chamber and Bureau,

BOMBAY.

SIR,

I am directed to acknowledge the receipt of your letter, dated the 10th October 1916, and enclosure, on the subject of the deten-

tion by the Italian Customs Authorities of goods exported from Switzerland to India alleged to be covered by the usual Certificate of Origin.

2. In reply, I am to say that the matter has been referred to the India Office and that a further communication will be made on receipt of a reply.

I have the honour to be,
Sir,
Your most obedient servant.
G. S. HARDY.

SIMLA, No. 19-35 State.

To

INCHAMBU,

BOMBAY.

11950 Cw. my letter 10475 dated Twenty-sixth October, please furnish particulars of goods said to be held up by Italian Customs Authorities Commerce.

Under Secretary to the Government of India.
6th December 1916.

From

The Secretary,
The Indian Merchants' Chamber and Bureau,
BOMBAY.

To

The Secretary,
Commerce and Industry Department,
Government of India,
SIMLA.

SIR,

With reference to your telegram of the 4th instant I sent the following telegram to you to-day.

"Your telegram fourth instant. Goods were cotton merino, prints, woollen prints. Letter follows".

It will be seen from this that the complaint of Messrs. Zollinger & Co., related to cotton merino prints and woollen prints. I am enclosing herewith invoices and sale bills showing what are the particular goods about which Messrs. Zollinger & Co. sent their complaint.

I beg to remain,
Sir,
Your most obedient servant,
J. K. MEHTA,
Secretary.

APPENDIX No. 4.

Representation on the Imperial Council.

14th October 1916.

From

The Chairman,
The Indian Merchants' Chamber & Bureau,
BOMBAY.

To

The Hon'ble Mr. C. E. Low, C.I.E., I.C.S.
Secretary,
Commerce & Industry Department,
Government of India,
SIMLA.

Sir,

In view of the memorandum recently submitted to H. E. the Viceroy by the elected non-official members of the Imperial Legis-

lative Council, my Committee desire me to put their views on the subject of the representation of Indian Trade and Commerce on that Council. I am further desired to request you to submit this representation to His Excellency the Viceroy at the earliest opportunity.

According to the regulations made under the Indian Councils Act of 1909, the Bombay Chamber of Commerce and the Bengal Chamber of Commerce who mainly represent European Trade and Commerce are given the right to send one member each to the Imperial Legislative Council, while Indian Trade and Commerce is represented by only one member who is nominated by H. E. the Viceroy. As far back as 1907 when the proposals to allot two seats to these two European Chambers were formulated my Chamber strongly represented through the Local Government the necessity of giving equal representation to Indian Trade and Commerce. A Copy of this Chamber's letter to the Secretary, General Department of the Government of Bombay is appended herewith.

During the nine years that have elapsed since that letter was addressed the total number of members has gone up from 129 to 243 who belong to the various trades as shown in the appendix. The Bombay Native Piecegoods Merchants' Association, The Bombay Grain Merchants' Association, The Bombay Rice Merchants' Association, The Bombay Fancy Piecegoods Merchants' Association, The Bombay Yarn, Copper and Brass Native Merchants' Association, The Bombay Shroff Association, The Bombay Country Tobacco Trades Association and the Hindustani Native Merchants' Association send their representatives to this Chamber which has thus a thoroughly representative character. By doing solid useful work during the last nine years in the interests of those it represents, the Chamber has attained a position equal in importance to the Bombay and Bengal Chambers of Commerce. Having regard to the indubitable fact that this Cham-

ber represents the wealth and brains of the Indian commercial community in this Presidency, my Committee are strongly of opinion that the same right, which is allowed to the sister European Chambers of Bombay and Bengal of electing a representative on the Imperial Council, should, as a matter of justice and fair play, be conceded to the Indian Chamber.

The present Imperial Council is the third since the new Indian Councils Act came into force, and on the second Council Indian Trade and Commerce of Bombay was not represented, the seat having in that period been given to Bengal. If the precedent of nominating representatives of Bombay and Bengal in each alternative period is carried on, each of these large centres of Indian Trade and Commerce will remain unrepresented on the Imperial Legislative Council. Moreover under the present regulation such representative is not selected by the Commercial Community and my Chamber fail to see what grounds there are for Government withholding the right of election from an important body like theirs, when a similar right is given to the European Chamber here.

My Committee trusts that, taking all these facts into consideration, H. E. the Viceroy will be pleased to extend to the Chamber the right of electing one member to the Imperial Legislative Council to represent the interests of the Indian commercial community.

We have the honour to be,
Sir,
Your most obedient servants,
(Ld.) LALLUBHAI SAMALDAS
Chairman.
(Sd.) VITHALDAS D. THAKERSEY
Vice-Chairman.
(Sd.) M. M. MUNSHI
Asst. Secretary.

APPENDIX B.

No.		No. of Members.
1.	Trade Piecegoods	103
2.	Cotton...	23
3.	Mill-owners	19
4.	Grain and Seeds	8
5.	Importers	8
6.	Bankers	8
7.	Shroffs	3
8.	Insurance Companies	2
9.	Silk Merchants	4
10.	Share, Stock, freight and Guarantee Brokers	9
11.	Iron and Hardware Merchants	2
12.	Yarn Merchants	4
13.	Gold and Silver Merchants	1
14.	Diamonds and Pearl Merchants	7
15.	Auditors	6
16.	Newspaper proprietors and paper Merchants	4
17.	Tile and Furniture Merchants	4
18.	Miscellaneous, specially exporters	8
19.	Machinery Merchants	5
20.	Sundry Manufacturers	4
21.	Unclassified	11
	Total...	243

GOVERNMENT OF INDIA.

Department of Commerce and Industry.

(Commerce and Trade.)

No. 10299, Simla, the 28th October 1916.

From

A. H. Ley, Esquire, I. C. S.,
Deputy Secretary to the Government of India.

To

The Chairman,
The Indian Merchants' Chamber and Bureau,
BOMBAY.

SIR,

I am directed to acknowledge the receipt of your letter, dated the 14th October 1916, and to intimate that it will be submitted for the consideration of the Government of India.

I have the honour to be,
Sir,
Your most obedient servant,
A. H. LEY
Deputy Secretary to the Government of India.

Legal Department.

No. 195 of 1917, Bombay Castle, 6th March 1917.

From

G. D. FRENCH, Esq.,
Secretary to the Government of Bombay.

To

The Chairman,
Indian Merchants' Chamber and Bureau,
BOMBAY.

SIR,

With reference to your petition dated the 14th October 1916 to the address of the Honourable Mr. C. E. Low, C. I. E., I. C. S.,

Secretary to the Government of India, Department of Commerce and Industry, requesting that the Indian Commercial Community may be allowed to return a representative to the Legislative Council of the Governor General, I am directed to inform you that the Government of India regret that they are unable at present to recommend the petition to the Secretary of State, but the question of the representation of Indian trade interests generally will receive due attention, as in the past, whenever the modification of the constitution of the Legislative Council comes under consideration.

I have the honour to be,

Sir,

Your most obedient servant,

G. D. FRENCH

Secretary to Government.

APPENDIX 5.

State Versus Company Management of Railways.

GOVERNMENT OF INDIA.

RAILWAY DEPARTMENT.

(RAILWAY BOARD.)

No. 188—F. 16.

To

(1) The Secretary, Chamber of Commerce, Bengal.

(2) " " " " Bombay.

(3) " " " " Madras.

(4) The Secy. Chamber of Commerce, Burma, Rangoon.
(5) " " " " Karachi.
(6) " " " " Upper India, Cawnpore,
(7) " " " " Punjab, Delhi.
(8) " " " " Chittagong.
(9) " " Southern India Chamber of Commerce Madras.
(10) " " Indian Merchants' Chamber and Bureau, Bombay.
(11) " " Bengal National Chamber of Commerce, Calcutta.
(12) " " Indian Chamber of Commerce, Lahore.
(13) " " The Calcutta Trades Association.
(14) " " The Bombay Presidency Trades Association, Limited.
(15) " " The Madras Trades Association.
(16) " " The Rangoon Trades Association.
(17) " " The Indian Jute Mills Association, Calcutta.
(18) " " The Indian Tea Association, Calcutta.
(19) " " The Bombay Millowners' Association Bombay.
(20) " " The Indian Mining and Geological Institute, Calcutta.
(21) " " The Indian Mining Association.
(22) " " The Indian Engineering Association.

Simla, the 27th June 1916.

DEAR SIR,

You are no doubt aware that the question of the comparative advantages of the management of Railway in India by companies and directly by the State has recently attracted much attention. It has twice in the last two years been discussed in the Imperial Legislative Council and it has frequently been considered in the public press. In the second debate in the Legislative Council the Hon'ble Member in charge of the Railway Department said that the Railway Board were carrying out a departmental investigation of the question. This investigation has been completed. It has been mainly directed to an examination into the value of statistics but, owing to the widely divergent conditions which prevail on the different systems of Railways in this country, the Railway Board have been forced to the conclusion that it is impossible to base any definite finding upon statistical results. They have decided therefore to pursue the matter by an enquiry into the practical side of Railway working founded upon everyday experience of those commercially interested in Railways in order to determine whether State or Company-managed lines have rendered the better service to the public, and they will be glad to be favoured with replies by your $\frac{\text{Chamber}}{\text{Association}}$ to the following questions :—

(1) What particular railway or railways do your members most frequently have dealings with ?

(2) If with both State and Company-managed lines, does the experience of your $\frac{\text{Chamber}}{\text{Association}}$ lead to the belief that the public are better served by one than by the other in—

(*a*) promptitude of despatch and delivery,

(*b*) in rates,

(*c*) in the manner of dealing with complaints,

(*d*) in the care and handling of goods,

(*e*) in the matter of passenger traffic ?

(3) If dealings are with one system of railway only, have you complaints to make under any of the sub-heads to the question (2)?

2. I am at the same time to enclose a short note in which the Railway Board have attempted to bring together the main arguments which have been put forward on the general question. It is thought well that you should have a statement of this kind before you, but it is not the intention that you should necessarily discuss it in your reply. Your $\frac{\text{Chamber}}{\text{Association}}$ may prefer to confine their observations to those aspects of the case of which they have direct experience or special knowledge. The Board desire, therefore, to make it plain that they do not ask for more than replies to the specific questions set out at the end of the first paragraph of this letter, but they will of course welcome any remarks your $\frac{\text{Chamber}}{\text{Association}}$ may wish to make on the more general considerations involved in the case.

3. I am to add that this question of general policy with regard to the management of railways is of immediate interest in connection with the East Indian Railway contract which is terminable in the near future, (if you think* that any special considerations apply to this case I am to ask you to state them) and, since the time that is left before the expiry of the contract is not too long for a settlement of the numerous points that will arise, the Board will be greatly obliged if they are favoured with an early reply to this reference.

*To Bengal and Upper India Chambers of Commerce, and Association specially interested.

Yours faithfully,

W. RYAN.

Secretary, Railway Board.

Document accompanying.

Note with appendix.

To

The Secretary,

Indian Merchants' Chamber and Bureau,

BOMBAY

125RB—1,030-27-6-16—GOBP Simla.

ENCLOSURE TO RAILWAY BOARDS' LETTER No. 188—F. 16, DATED 27TH JUNE 1916.

Note.

The case for the State-management, or, in countries where railways are at present private property, for nationalization, may briefly be stated as follows. It is represented that the results of railway history all over the world are in favour of the State taking a larger share in the administration of railways. It is perhaps alleged, though this does not appear to be a point on which stress is laid, that State-management is more efficient or economical than management by private companies. And it is certainly urged that State-management achieves objects which it is not reasonable to expect from private enterprise.

2. The criticisms that have been brought against this view are, first, as regards the appeal to experience that as a matter of fact by much the greater part of the railway mileage of the world is still held by companies, and further that the existence of State-management or ownership in other countries could be relied on as

an argument only if it had been adopted as justified on its merits, whereas the fact is that the adoption of a State system has seldom been the result of a definite policy ; precisely as happened in India so in the great majority of cases elsewhere the system has been largely moulded by financial necessities. Secondly, as regards efficiency, it is said that this necessarily varies, and good and bad examples of working can be quoted under both systems but that a general survey affords no ground for holding that a State system has the advantage. It is added as a definite disadvantage of a State system that its working is liable to be affected in many ways by political influence, and experience shows that the consequences may be very serious.

3. The main point, however, is one of principle—what should be the objects of railway administration and how are these best attained. The opposing views on this point are, first, that railways should be administered as part of the machinery for the general development of a country whether this is remunerative from the point of view of the railway account or not, that this task clearly cannot be demanded from private enterprise which must have an eye to profits and that consequently railways fall of necessity within the domain of State industries. On the other hand, it is urged against this view that it is based on the assumption that railway profits are vicious and are secured only at the expense of the general public ; that this assumption is incorrect and that there is not in fact an antagonism between the commercial principle of railway working and the general interests of a country ; that however frequently it may be overlooked the fact remains that there is a definite and strong community of interest between railways and trade, neither of which can prosper without the other ; that consequently railways will do what they can to foster trade by all means which, either immediately or in their ultimate result, they can make remunerative to themselves; that concessions in rates which will not even in the long run prove remunerative

amount to a subsidy; that subventions in this form are open to obvious objections, and they are certain to affect very seriously the revenue from railways. Doubts are expressed further whether in the working of rates for the development of its country State would be as efficient as private companies and experience is said to show that State control invariably produces a rigidity in the rate system which interferes with the attainment of the maximum economic advantage to be derived from the interchange of commodities and prevent the full development of trade which is secured by the freer and more elastic treatment of rates by independent railway administrations.

4. In India the system which has grown up is a composite one; the great majority of the railways are owned by the State, but all except three of these State lines are managed by companies, who have a small share—about a tenth—in the properties they administer. In the railway history of India there are three main periods. To begin with, as was natural, since they were the creation of an English Government, private enterprise was favoured for the construction and the administration of railways. It was found, however, that private enterprise stood in need of Government assistance and this led to the formation of guaranteed companies. The particular system adopted was found to be defective, and for a time State agency exclusively was favoured; this was the second stage. The transition to the third stage was a slow one; it occupied the years from 1879 to 1892 during which two committees of the House of Commons, in 1879 to 1884, considered the subject and a very large volume of correspondence passed between the Secretary of State and the Government of India. The final conclusion, however, was that there is room both for State agency and for companies, and generally, though there have been examples both of companies' lines being taken over by Government and of State lines being leased to companies, and each case has been treated on its merits with due regard to the circumstances of the time, the pre-

ference has been for company-management. The Mackay Committee said in 1907, " the consistant policy of the Government of India for many years has been to arrange for the railways in India, while remaing State property, to be leased to companies which work them on behalf of Government on a profit-sharing basis. There is no disposition on the part of Government to depart from this policy which has worked satisfactorily", and the Government, of India at that time accepted their views. The question now is whether a change of policy is desirable.

5. The company system as it exists in India has been criticised from two points of view. On the one hand, it is said that the companies have so limited an interest both in respect of the amount of their capital and of the period for which the railways are entrusted to them, that the real benefits of private enterprise are not obtained from their employment in railway administration. This argument, however, is defective, since if there is an advantage in private enterprise the remedv would be not to abolish the companies but to increase their stake in the business, and it is seldom advanced.

6. The more common criticism is that the control of Government over the companies in spite of its preponderating share in the property is inadequate, and that this defect is accentuated by the fact that the Boards of these companies are in London.

7. The reply of those who support the company system is first that some misapprehension appears to exist on the subject of Government control, the provisions for which has contained in the various contracts with companies appear to them ample. (An extract from the Railway Board's Administration Report for 1914-15 summarising these provisions is attached for reference). Secondly, they say, it does not follow that because Government own by far the larger share, they should retain in their own hands the direct management of railways. There appears, it is added,

to be no opposition to branch line companies in this country, though these are private concerns, owning and in some cases managing railways, and the objection taken to the administration by companies of the trunk lines of the country may be due, therefore, not so much to a dislike of the principle of private enterprise as to their English domicile. If so, however, the opposition to main line companies seems to exalt into a governing factor what is a secondary, though no doubt a very important, consideration. Finally, the feature of the existing system to which objection is taken may prove to be temporary. In the past, that is to say, the Boards of companies have necessarily been located in London because practically the whole of the capital of these companies was held in England, but it is urged by those who favour company management that a change in these conditions will gradually be brought about through a greater proportion of capital being held in this country. If so, objection will be met by a natural process in the course of time, and it would be a mistake, if private enterprise is on other grounds to be preferred, to bring all lines under the direct management of the State in order to remove it.

8. In addition upholders of the existing system claim that it has positive advantages. They say that the present allocation of different parts of the Indian system of railways to semi-independent administrations produces a healthy competition and spirit of emulation which would be lost if all were brought under State-management. They claim that the financial burden of maintaining and extending the whole railway sytem of India is clearly too great for the Government to bear alone ; that the main line companies can give material financial assistance, and that if Government were to buy them out, it would not change the proportion of State and private contributions to the railway property of the country ; the State, while increasing its holding in the main lines, would have less to invest in extensions and the result would be merely to shift the field of private enterprise.

9. Finally, they say that very much the same considerations apply in the matter of administration as of finance. A policy of State-management for all the railways in India would inevitably tend to centralization ; in this respect again the Government would be well advised according to this view to be content as at present with a general control and for the direct management of railway affairs to retain the services of the companies.

APPENDIX TO NOTE.

(REFERRED TO ON PAGE 2.)

Extract from the Administration Report on the Railways in India for the year 1914-1915.

The administrative control exercised by the Government over the Companies is as follows :—

The Company is bound to keep the line in good repair, in good working condition, and fully supplied with rolling-stock, plant, and machinery ; to keep the rolling-stock in good repair and in good working condition ; and to maintain a sufficient staff for the purposes of the line :— all to the satisfaction of the Secretary of State.

The Secretary of State may require the Company to carry out any alteration or improvement in the line, or in the working, that he may think necessary for the safety of the public or for the effectual working of the line.

The Secretary of State may require the Company to enter into agreements, on reasonable terms and conditions, with the administrations of adjoining railways for the exercise of running powers, for the supply to one another of surplus rolling-stock, for the interchange of traffic and rolling-stock and the settlement of through rates and for additions and alterations to or the redistribution of existing accomodation in junctions or other stations in view to their convenient mutual use.

The train service is to be such as the Secretary of State may require.

In order to secure a general control over the rates quoted by Companies the Secretary of State has retained power to settle the classification of goods and to authorise maximum and minimum rates within which the Companies shall be entitled to charge the public for the conveyance of passengers and goods of each class.

The Company has to keep such accounts as the Secretary of State may require, and these are subject to audit by the Secretary of State.

In all other matters relating to the line, the Company is made subject to the supervision and control of the Secretary of State, who may appoint such persons as he may think proper for the purpose of inspecting the line, auditing the accounts, or otherwise exercising the power of supervision and control reserved to him. In particular the Secretary of State has the right to appoint a Government Director to the Board of the Company, with a power of vote on all proceedings of the Board. All the moneys received by the Company in respect of the undertaking, whether on capital or revenue account, have to be paid over to the Secretary of State.

All expenditure by the Company has to be stated and submitted for the sanction of the Secretary of State.

The Indian Merchants' Chamber & Bureau.

Telegraphic Address :—
" INCHAMBU "
*Telephone No :—*1180.

19, Bank Street, Fort,
Old Telephone Buildings,
Bombay, 1st December 1916.

From

THE SECRETARY,
The Indian Merchants' Chamber & Bureau,
BOMBAY.

To

The Secretary,
RAILWAY BOARD,
SIMLA.

SIR,

1. I beg to acknowledge receipt of your letter of the 27th June 1916 No. F. 16, asking this Chamber to give their opinion on certain questions connected with the management of Railways. Under instructions from the Committee of the Chamber I have the honour to address you as follows :—

2. As early as 1880 the Government of India laid down as their future policy that they would acquire all the Railways when the time came for exercising the option that rested with them under the contracts with Railway companies. In accordance with this Resolution all the trunk Railways have been acquired by the Government, leaving a small percentage of shares to the old com-

panies, with whom agreements have been entered into to manage them, and who are paid a remuneration for doing that work The question that now awaits solution is merely whether the lines owned by Government should be managed by themselves or by managing Companies. So far as my Committee are aware in no other country in the world there prevails a system similar to the one adopted in India of owning the Railways and yet handing over the management to Companies. In countries where railways are managed by Companies, they are owned by them, while the state managed Railways are the property of the State. The system obtaining here is probably the outcome of the basis upon which the work of constructing the railways was initiated in this country.

3. My Committee have given careful consideration to the various arguments in favour of each of these systems of management and also to the conditions applying to this country and have come to the conclusion that the management of Railways by the State is best suited to this country for the following reasons :—

(*a*). There will be an annual saving of about a crore of rupees which are paid at present to managing companies as their share of profits.

(*b*). Competition between different Railways is considered in some countries as beneficial to trade and industries, resulting in lowering the rates to attract more traffic, and in providing facilities. Instead of a healthy competition however we have in this country a form of competition which in many respects has proved adverse to trade and industry and to the interests of agriculturists. The fact is that each management tries its best by a manipulation of the minimum and maximum rates laid down by Government to divert trade to the ports which it serves. The different Companies compete to carry the largest quantity of cargo for the longest distance

possible over their rails and in order that they may be able to do so, block rates, which mean full maximum rates authorised by Government, are levied on all the cargo which is carrid to ports other than those they serve. Trade and Commerce instead of being developed on natural lines are thus retarded by artificial diversion of traffic. Sir Vithaldas D. Thakersey, speaking in the Imperial Legislative Council in 1912 on his resolution on the policy followed in fixing goods rates, emphasised this aspect of the management of Railways by Companies. He observed that interprovincial trade suffered owing to the so-called block rates quoted by practically all Railways in order to draw all available traffic to their own lines and to prevent as far as possible traffic from their own stations going on other companies' lines. "This from the Railway Company's point of view may be perfectly justifiable as no Company can be expected to tolerate the transfer of its own traffic to other lines if it can possibly prevent it. But from the country's point of view, it is clearly not advantageous that merchants should be compelled to send their goods not by the route which gives them readiest access to the best market but by a route which brings the most profit to the Railway which happens to pass through the particular places." After saying this he asked the pertinent question "these hardships are unavoidable in countries where Railways are owned by private Companies, but why should they be tolerated in India where the Railways belong to the State?"

(*c*). Opinions may differ on the question whether State or Company management would be better for a country, but they have been almost unanimous in holding it to be one of the principal functions of Railways to develop

and help indigenous trade and industries. Indian Railways have so far taken little initiative in this question of the development of industries. Only recently, in May 1915, the Railway Board issued a circular to different Railway Companies bringing to their notice "the question of the assistance which can be rendered by Railways in the development of indigenous industries by the quotation of favourable rates for the carriage of raw material required in manufacture and the carriage of the finished product." Nothing is known upto this time of the action taken by different Railway systems in this direction, So long as there is not one responsible and central authority of the State to utilize the Railway system for the development of industries it is useless to expect that any effective action will be taken. All the anomalies of rates, on the ground of large quantities and long distances, which really help the export of raw materials and widespread distribution of imported manufactured goods as against indigenous manufactured articles will disappear only if there is one central management which holds that Railways have to look to the industrial and economic needs of the country side by side with earning dividends for shareholders and revenue for the State.

(*d*). Owing to the unchecked competition of railways the trade of places depending on water traffic has been practically killed which would not have been the case if there had been state management of Railways, for the State would not have looked merely to railway profits at the sacrifice of the trade and industry of seve[illegible] of our small sea ports. An instance in point is afforded by Broach the trade of which is practically

killed by the manipulation of rates by the Railway Company serving that place. How justifiable this grievance was can be gauged by the strong support the Government of Bombay gave to the petition of Broach merchants while forwarding it to the Government of India. Lord Sydenham in supporting this complaint, said that "Railways were made for India and not India for Railways."

(*e*). The congestion of traffic on all railways is one of the thorniest questions their administrations have to deal with. This question, in the opinion of my Committee, can be solved if there is a central State administration to organise and make the best use of the waggon capacity of different systems, instead of there being so many different managements.

Although there have been large additions during recent years to the rolling stock of the different Railways in the country we continue to hear the cry of shortage of waggons during busy seasons, whenever there is congestion of traffic on any line. My Committee think that the fault lies mainly with the system that does not allow the shortage on one line to be remedied by the surplusage on another line rather than with the shortage of waggons in the country. In fact in slack seasons hundreds of these waggons have to lie idle. What is really needed is a scientific and systematic marshalling of these waggons which cannot be carried out at present owing to the divided control of Railways.

(*f*). Under the present system of management by companies, whatever grievances and complaints of the public there may be, whether with regard to the employments of Indians or the treatment of third-class passengers or important questions affecting trade and industry, managing companies give but a tardy res-

ponse to public opinion. My Committee acknowledge that Government even now interfere in several instances with success. They recall with feelings of thankfulness the intervention of the Government at the time of serious complaint regarding undue preference on the G. I. P. Railways in 1911. Such instances however of Government intervention are rare as Government cannot go out of their way and interfere too often with the management of companies. If the management is in the hands of the State, our representatives in Provincial and Imperial Councils can get any information required by interpellations and get grievances redressed by drawing the attention of the Government. Under these circumstances, my Committee are of opinion that management of Railways by the State is in this country essential for the development of trade and industries and for the working of Railway lines in the best interests of the country. If the administration of Indian Railways is in the hands of the Government of India they can help the development of industries of this country by placing large orders for their requirements of the Railways with Indian manufacturers. They have already declared that as far as possible articles of Indian manufacture should be purchased by Government departments in India provided that the quality and the prices are not unfavourable as compared with those of the imported articles. Under the system of company-management, the boards of directors being in England practically all the orders will continue to be placed in England as hitherto and Indian industries will permanently lose the custom which would be theirs if the railways were state managed.

4. The present question has apparently arisen in consequence of the fact that the term for the management of the East Indian Railway Company expires in 1919 and, that notice under the contract must be given during 1917. If it is not possible for Government to arrive at a definite conclusion in regard to the general policy to be laid down for the future, my Committee think that the best course would be to give the required notice to the present management of the East India Railway Company and to take that line over under State management. The total mileage of Trunk lines owned by the State is about 25000 of which 8000 miles are managed by themselves and 17000 miles by managing Companies. If the East India Railway which has a mileage of 2800 was taken over under State management, the proportion of mileage would be about 11000 under State management and about 14000 under Company management. The next contract to fall in, is that with the G. I. P. Railways the term of which expires in 1925. During the intervening period of about six years additional experience will have been obtained and this will prove useful in coming to a decision on the subject. Of the total mileage owned by the State, nearly half will have been during that time under State management and the remainder under the management of Companies. An added advantage will be that of the four Indian ports viz. Calcutta, Karachi, Bombay, and Madras the two former will be served by Railways managed by the State while the two latter by Railways under the management of Companies. Under all these circumstances my Committee would strongly urge upon Government either to determine as their future policy that State-owned Railways shall be under their own management, or in the alternative to take over the management of the East India Railway Company and to postpone their decision in regard to the policy to be pursued in the future till a few year's further experience is obtained by working the lines under both the systems, with a more proportionate division of the total mileage and a more suitable distribution of traffic as regards the ports, than what prevails at present.

5. Apart from the varied advantages mentioned above by the taking up of the management of the East India Railway Co., my Committee are of opinion that the financial gain to the State will be such as would itself justify such a step. Under the terms of the contract between the Secretary of State and the E. I. Railway Co. the amount that is at present payable to its holders is 4 per cent. on the capital stock of £ 6,550,000 £ 262,000 plus a share of surplus profits which looking to the last three years' figures are not below Rs. 24,00,000 which means a total of Rs. 63,30,000 per annum. These figures do not take into account the higher profits in future years which must continue to increase with the development of the industries and trade of the country. If the East India Railway Co., is taken over in 1919 the Government shall have to pay an annual sum of £294,750 equal to Rs. 44,21,250 till 1953. Government will thus save Rs. 19,08,750 every year (63,30,000-44,21,250) by terminating the contract and taking up the management. This saving for 33 years will on a 4 per cent. interest basis work up to Rs. 12·59 crores approximately. Even if there were no other reasons in favour of State Management, the financial gain only should be a sufficient reason for Government's accepting the proposals of my Committee and terminating the Contract of the East India Railway Co. in 1919.

I beg to remain,

Sir

Your Most Obedient Servant

J. K. MEHTA,

Secretary.

APPENDIX 6.

Reduction in duty on alcohol to be used for Industrial purposes.

The Secretary,

Indian Merchants' Chamber & Bureau,

19, Bank Street. Fort,

BOMBAY.

Sir,

You will be possibly aware that the British Government recently abolished the Excise Duty on Denartured spirit manufactured in India. On the strength of this concession, we applied to the Commissioner of Custom, Salt, Opium, and Abkari, Poona, to allow us to import the spirit denatured at our Factory in Baroda into any part of India and he granted us such a permission. He now informs us by his Memo No. 1338 of the 26th inst., copy herewith, that the permission granted to us to import into Bombay, free of duty, denatured spirit manufactured in our Factory, at Baroda, is revoked, since the Government have ruled that the concession is not admissible in the case of denatured spirit imported from a Native State, declared to be foreign territory under the Indian Tariff Act, and as Baroda has been so declared and notified, imports of denatured spirit from that State will not be admitted free in future.

The concession granted by the Government is in spirit meant for the whole of India, as a sort of protection to the indigenous manufacture against foreign goods imported into

India, but our factory being situated in a Native State, we are put under a disability on merely a technical ground. Baroda is a part of the British Empire and as such, concession granted to other parts of British India be extended to us also, as otherwise, sister industries situated in British India will enjoy an unfair advantage over us in as such the denatured spirit of our Factory, in view of the unfair competition, will be closed to British India.

We beg, therefore, to request you to move the Government in this matter and help us to avail of this concession.

We have the honour to remain,

Sir,

Your most obedient Servants,

For the Alembic Chemical Works, Ld.

KOTIBHASKAR, AMIN & Co.

Secretaries, Treasurer & Agents.

URGENT.

C. R. No. 1338 of 1917.

Camp Poona, 26th June, 1917.

Memorandum.

The Alembic Chemical Company, Baroda, are informed that the Commissioner hereby revokes the permission granted to them in this office C. R. No. 1338 ot the 19th ultimo, to import into Bombay, free of duty, denatured spirit manufactured in their Factory at Baroda, since Government have ruled that the concession is not admissible in the case of denatured spirit imported from a Native State declared to be foreign territory under the

Indian Tariff Act. As Baroda has been so declared and notified, imports of denatured spirit from that State will not be admitted free in future.

S. R. ARTHER,
Commissioner of Customs, Salt,
Opium and Abkari.

From

The Secretary,
The Indian Merchants' Chamber & Bureau,
BOMBAY.

To

The Secretary,
Commerce & Industry Department,
Government of India,
SIMLA.

Sir,

The attention of the Committee of this Chamber is drawn to certain difficulties under which Messrs. the Alembic Chemical Works Co. of Bombay who have their factory at Baroda, have to work. I am directed by my Committee to bring them to your notice with a hope that the Government will be pleased to consider them and remove them in the interests of a growing industry. In accordance with the present procedure, spirits and spirituous preparations, even intended for export to any part of

British India, have first to be imported into Bombay, before despatched to their destination. Such a procedure naturally entails a great delay, inconvenience and unnecessary loss, as consignments meant for places between Bombay and Baroda and northwards have to pay double railway freight, which goes to enhance the cost prices, making it, it is said, almost impossible for the local concern to compete with foreign manufacturers. To what lengths this restriction is carried will be seen from the fact that the company in question is obliged to supply even their customers of Baroda Camp, which is only a mile from its factory, from its Bombay stores, undergoing double Railway freight to and from Bombay, which otherwise would be done in about an hour without incurring any carriage charges.

Two courses are suggested to enable the company to expedite despatch of duty paid spirituous articles to any part of India from the factory direct, and to compete with foreign dealers in this line.

(*a*). A permit may be granted to it to import articles in bond into Baroda Camp, where they may be gauged and duty levied thereon by the Excise authorities and may then be permitted to be consigned to any part of India.

or

(*b*). The nearest Excise Inspector should draw out samples (in duplication and triplication, so that in the event of the first being lost in transit, the second lot may be used and likewise the third), from the consignments intended for export, on the Baroda Station, in a room procured by an arrangement with the Railway Company and forward these samples to the Chemical Analyser for report, on receipt of duty thus ascertained

should exceed or fall short of the amount deposited at the time of applying for the permit, the difference may be paid or refunded as the case may be.

My Committee thikn that the first course is preferable and that Government will be pleased to adopt it if, there are no other difficulties in the way of such an adoption, specially as the Company paid about 2½ to 3 lacs of rupees every year in the shape of duty.

2. Another difficulty complained of is that under the present rules and regulations the Company is allowed to import its spirits into Bombay and Ahmedabad on prepayment of duty, prior to their removal from the factory. This prepayment of duty requires a largeroutlay of working capital which increases the working charges, as the Company loses heavily in the shape of a very large amount of money which it has to lock up for the prepayment of duty which is to be paid to Government to the extent of Rs. 20,000 per month on an average.

The spirits from the foreign countries, imported into British India, by sea, come in bond and the duty thereon is paid in clearance from a bonded warehouse wherein they are stored on importation. The request of the Alembic Chemical Works Co. is that its products may be treated in the same manner as those of the foreign countries, thus removing the disadvantages under which it is at present working in the competition with foreign imports.

The Company had inquiries from England for rectified spirit but could not respond to them as it had to pay tariff duty

in England and India as well. Such a double payment of duty practically closes all the foreign markets to the Company.

(3). The Company requests that its products be charged with the Excise duty instead of the Tariff duty as they are manufactured in India. This will enable it to compete with foreign spirits against which it is unable to make a stand at present,

(4). Lastly, the company prefers a request which my Committee fully endorse, that all the Government Departments should be asked to patronise the products of this Company as much as possible.

In conclusion, my Committee hope that in view of the anxiety of the Government to develop and foster industries Government will favourably consider the proposals made in this letter and remove the difficulties mentioned therein as they are calculated to retard the growth and progress of one of our new companies which have taken up a chemical industry.

I beg to remain,

Sir,

Your most obedient servant,

J. K. MEHTA,

Secretary.

No. 9163.

GOVERNMENT OF INDIA.

Department of Commerce and Industries.

(Excise).

Simla, the 26th September 1916.

From

A. H. LEY, ESQUIRE, I. C. S,

Deputy Secretary to the Government of India,

To

The Secretary,

The Indian Merchants' Chamber and Bureau.

SIR,

I am directed to acknowledge the receipt of your letter dated the 22nd September 1916, regarding the difficulties experienced by the Alembic Chemical Works Company of Bombay in exporting spirits, etc., from their factory at Baroda to British India, and to say that it will be submitted for the consideration of the Government of India.

I have the honour to be,

Sir,

Your most obedient servant,

A. H LEY.

Deputy Secretary to the Government of India.

No. A/4302 1916-1917.

Excise Department.

Bombay, 9th October 1916.

From

W. C. SHEPHERD, ESQUIRE, B. A., I. C. S.,

Collector of Bombay.

To

THE SECRETARY,

Indian Merchants' Chamber and Bureau,

BOMBAY.

Sir,

I have the honour to inform you that the Government of India are at present considering a proposal made by the Government of Bombay whether selected local industries which are seeking to replace imported Chemicals by local manufacture should be allowed to purchase Indian manufactured Rectified Spirit for use in industrial processes free or at a reduced rate of duty of 7½ per cent *ad valorem* instead of paying the present rate of duty at Rs. 11-4-0 per gallon, L. P. It is understood that a similar policy has been adopted in the United Kingdom, subject to certain restrictions, but the concession of the free use of pure spirit in that country applies only to manufacturers in which it can be shown to the satisfaction of the Commissioners of Customs and Excise that the use of denatured spirit would be unsuitable or deleterious. I would therefore request you to be favoured with the expression of the views of your Chamber in the matter.

2. I would also request you to furnish me with the information on the following points, if available :—

(1) What are the industries in which Indian Rectified Spirit is used or can be used, or in which imported chemicals are replaced or can be replaced by those of local manufacture by the use of Indian Rectified Spirit ?

(2) What are the names of the firms or individuals who are conducting those industries or likely to conduct them ?

(3) What would be the quantity of Rectified Spirit used or likely to be used per annum by each firm or individual referred to in (2) above ?

(4) In the industries referred to in (1) above, would denatured spirit be unsuitable or deleterious ?

(5) Would it be necessary to impose any safeguards to prevent the misuse of such a concession ? If so, what should they be ?

3. I would request you to send me a reply by the 31st instant.

I have the honour to be,

Sir,

Your most obedient servant,

W. C. SHEPHERD,

Collector of Bombay.

10th November 1916.

From

The Secretary,

The Indian Merchants' Chamber & Bureau,

BOMBAY.

To

W. C. SHEPHERD, ESQUIRE, B. A., I. C. S.

Collector of Bombay;

BOMBAY.

SIR,

I am directed by the Committee of this Chamber to reply as under to your letter of the 9th October 1916 No. 4302 of 1916-17.

2. With reference to your inquiry in the first paragraph as to whether spirit for use in industrial processes should be free of duty or charged a reduced rate of duty of 7½% ad valorem, my Committee are of opinion that it should be free of duty and beg to draw your attention to their representation dated the 14th April 1915 on the very question.

3. Assuming that Indian manufactured rectified spirit will be made free of duty for use in industrial purposes, my Committee beg to offer the following suggestion regarding the duty on manufactured products containing the spirit:—

(a). The duty charged on spirit contents of articles manufactured here and classed as under should be 20 p. c. lower than the duty on the same imported from abroad.

(1). Perfumed spirit manufactured in India.

(2). Spirit contained in bonafide medicinal preparations.

(b). Rectified spirit and absolute alcohol for the bona-fide use of colleges, schools and research laboratories, and other educational institutions may be given duty free on a requisition being made by the head of any such institutions to the Government.

(c). If Indian made rectified spirit in any of its from is exported abroad, no duty to be charged in India on such spirits.

4. In this connection my Committee beg to refer to the Report of the Departmental Committee on Industrial Alcohol to the Chancellor of the Exchequer (presented to Parliament 11th April 1905 and issued 15th April 1905), specially to the following paragraph in Appendix No. 1 thereof :—

"The difference (4d. or 5d. as the case may be) between the duty on British spirits and that on foreign spirits is commonly spoken of as "the surtax on foreign spirits," or more briefly as "the surtax." Both the allowances and the surtax which date from 1860 (when the old protective duties were done away with), aim at the same purpose, which is, not to put the British producer of spirits in a position of advantage as compared with his foreign or colonial competitor, but to save him from being placed in a position of disadvantage." Similarly the Indian manufacturers will, by the adoption of these suggestions, be saved from being placed in a position of disadvantage with outside competitors.

5. With regard to para 2 of your letter my Committee give below answers to different queries.

Query 1 :—The chief uses to which Indian rectified spirit is and can be put are :—

(a). Manufacture of Cologne water and perfumed spirits.

(*b*). Denatured spirit for burning and motive power.

(*c*). Furniture Polishes and Lacquers.

(*d*). Tinctures, Extracts, Liniments, Liquors and spirits for medical uses.

(*e*). Solvents for medical drugs and manufacture of Alkaloids from Vegetable drugs and certain other chemicals.

(*f*). Essences for syrups and ærated waters.

(*g*). Ether and Chloroform.

(*h*). Potable spirits.

(*i*). Colours.

Query 2 :—Names of firms or individuals who are conducting these industries are :—

(1). Messrs. Alembic Chemical Works Co.

(2). Messrs N. Powell & Co.

(3). Messrs. Kemp & Co.

(4). Messrs. Phillips & Co.

(5). Heron Works.

(6). Harbinger Works.

(7). Zandu Pharmaceutical Works.

(8). Messrs. Bana & Co.

(9). Messrs. Gosher & Co.

(10). Gujerat Chemical Works.

(11). Ionic Pharmacy.

These are some of the principal firms within my Committee's knowledge but it is possible there are many others manufacturing on a small scale cologne water or other perfume.

If the concessions suggested by my Committee are granted it is likely there will be still more manufacturers of products in the making of which spirit plays a chief part.

Query No. 3 :—My Committee are unable to answer this question but they should like to point out that the present quantity taken up by different firms is no index to the quantity likely to be used when the concessions are given.

6. In all the instances mentioned above in para 4 query No. 1 except (*b*). denatured spirit will be deleterious and in (*c*) it will be unsuitable.

For denaturing spirit for uses as fuel and for power, CHEAP denaturants, produced in the Country may be used ; such denaturants to be poisonous and incapable of being separated from the denatured spirit by usual means and to have such distinct small as cannot be removed by usual means, and as can distinguish denatured spirit from undenatured one, by smell only.

7. As to safeguards to prevent the misuse of such concessions as are contemplated, bonded warehouses, with suitable facilities will be the best. Under supervision of a Government officer all the processes of manufacture can be carried on here.

I beg to remain,

Sir,

Your most obedient servant,

J. K. MEHTA,

Secretary.

No. 55-G. D.

GOVERNMENT OF INDIA.

Department of Commerce and Industry.

(Excise)

Delhi, the 8th January 1917.

From

A. H. LEY, ESQUIRE, I. C. S.,

Deputy Secretary to the Government of India.

To

The Secretary to the Indian Merchants' Chamber & Bureau,

BOMBAY.

SIR,

In continuation of the letter from this Department No. 4358-126, dated the 20th April 1915, I am directed to say that after consultation with Local Governments and Administrations, the Government of India have sanctioned the adoption of the following measures in order to assist the producer of Indian spirit for commercial purposes :—

(1) The existing excise duty of 7½ per cent *ad valorem* on denatured spirit of local manufacture will be removed.

(2) The cost of tests of denaturation in the case of Indian made spirit will be charged to Government instead of to the distiller.

The Government of India regret that they are unable to accept the proposal that foreign spirit to be used for industrial purposes should be imported free of duty.

I have the honour to be,

Sir,

Your most obedient servant,

A. H. LEY,

Deputy Secretary to the Government of India

APPENDIX 7.

Indo-French Trade.

No. 9522 of 1916.

Revenue Department.

Bombay Castle, 3rd October 1916.

From

A. F. L BRAYNE, ESQUIRE, I. C. S.,

Under Secretary to the Government of Bombay ;

To

The Secretary,

Indian Merchants' Chamber and Bureau,

BOMBAY.

Sir,

I am directed to state that, at the instance of the Madras Chamber of Commerce, Mr. D. T. Chadwick. I. C. S., and Mr. Black, of the Bank of Madras, have recently been deputed to

Russia in order to promote direct commercial relations between Southern India and that country. The deputation is expected to last about six months, and the Chambers of Commerce in Madras have agreed to bear a substantial portion of the cost of the deputation.

2. The British Chamber of Commerce in Paris have now brought to the notice of His Majesty's Secretary of State for India that a Canadian Trade Commissioner recently visited important trade centres in France to promote trade in Canadian produce and to examine the extent to which France can replace German goods. The Chamber report that results under both hands were very satisfactory and recommend a similar Commission from India. They suggest that the Commission should be composed of businessmen only and that the visit should not be made later than October. The Government of India are of opinion that it would be difficult to arrange for the deputation of a Commission of businessmen in time. They have, however, agreed to Messrs. Chadwick and Black visiting France on their return from Russia which will probably be about November next.

3. The Government of India have requested that the suggestion made by the British Chamber in Paris may be brought to the notice of your Chamber so that in case any businessmen may wish to go to France for the suggested enquiry or to join Mr. Chadwick's deputation, at their own expense, they may do so.

I have the honour to be,

Sir,

Your most obedient servant,

L. BRAYNE,

Under Secretary to Government.

APPENDIX 8.

DEVELOPMENT OF COTTON.

H. H. the Nizam's Agricultural Department.

Dated Hyderabad (Deccan), 3rd April 1917.

No. 479.

From

JOHN KENNY, ESQUIRE,

Director of Agriculture,

H. H. the Nizam's Government.

To

The Secretary,

Indian Merchants' Chamber & Bureau,

19, Bank Street, Old Telephone Buildings,

BOMBAY.

Dear Sir,

Under another cover I send you 30 ecpies of my Memorandum on the Cotton operations of the Department of Agriculture during the 1916-17 season. Kindly distribute them among the members interested in long staple cotton. If they care to discuss the matter with me, kindly let me know when a meeting can be arranged any time after 10th instant when I shall be able to spend a week in Bombay.

Yours faithfully,

JOHN KENNY,

Director of Agriculture,

H. H. the Nizam's Government.

H. H. the Nizam's Agricultural Department.

No. 1265.

Dated 4th October 1916.

From

JOHN KENNY, Esquire,

Director of Agriculture,

H. H. the Nizam's Goverment,

Hyderabad (Deccan).

To

The Secretary,

Indian Merchants' Chamber and Bureau,

BOMBAY.

Dear Sir,

Kindly inform the members of your Association that Gaorani kapas is likely to arrive in Parbhani about 10th November 1916.

I have made arrangements that the peasants who have grown their cotton from Government seed should cart their kapas to the Olcese Ginning and Pressing Factory where there will be no delay in ginning it as the Company has promised to give every facility possible to agents to Mill-owners who purchase the kapas in question.

Last year Messrs. Premraj Punalal & Co. of Parbhani satisfied the farmers with correct weighments on their behalf and place their services this year at the disposal of buyers and sellers alike at the usual arthi of 12 annas per cent.

The District is expected to supply guaranteed pure Gaorani kapas grown from Government seed sufficient to make 4,000 bales of rui.

An official of the Department of Agriculture will be on the spot to assist mill agents in every way.

At Jalna the first arrivals are expected about 20th November 1916.

The carts bringing in cotton of all sorts first assemble in the market place and with the completion of purchases find their way to the various Ginning and Pressing Factories.

That our cotton may not find its way to a number of factories where the seed and the rui may possibly be mixed, and in the interests of Mill-owners, I have issued a Marathi Circular advising growers of kapas from Government seed to take their carts, as they did last year, to the Factory of Messrs. Pestonji Merwanji Jalnawala & Co., where guaranteed cotton can then be purchased without fear of any admixture. The Company writes : "You can assure the Mill-owners that their kapas will be ginned in whatever quantity they will bring to our Factory and there will be no reason for them to complain about delay." A baling press is in the same yard.

The number of bales of rui expected from the Gaorani kapas grown from Government seed is about 3,000. Here also an official of the Department of Agriculture will be at the service of agents of mills.

The seed obtained from the guaranteed long staple kapas will be purchased by the Agricultural Department so that next year a minimum of 30,000 bales of pure long staple may be on the market.

I need not point out to mill-owners how much the purchase of kapas during the next few years will help to re-establish long staple all over Mahratwari, a division of Hyderabad Territory large enough to supply 5,00,000 bales of long staple annually.

Yours faithfully,

JOHN KENNY,

Director of Agriculture,

H. H. the Nizam's Government.

A meeting of the Committee of the Indian Merchants' Chamber and Bureau was held on Thursday the 14th June, 1917, at 2-30 p. m. (B. T.) to see Mr. John Kenny, Director of Agriculture. H. H. the Nizam's Dominions, when the following members of the Committee were present :—

1. Sir Vithaldas, D. Thakersey, (Vice-President).
2. Hon. Mr. Manmohandas Ramji.
3. ,, ,, Purushottamdas Thakoredas.
4. Mr. Jethabhai Valji.
5. ,, S. B. Bilimoria.
6. ,, S. E. Warden.
7. ,, Naranji Haribhai.
8. ,, Motilal Kanji.
9. ,, Morarji Velji.
10. ,, Gopalji Valji Soonderji.
11. ,, Chatoorbhooj Shivji, J.P.

The following cotton merchants were also present :—

Mr. Laxmidas Nemidas.

,, Mamraj Rambhagat.

,, Laxmidas Haridas.

Sir Vithaldas D. Thakersey who occupied the chair in the absence of the Chairman explained the object of the meeting. The question was in short how to make long stapled cotton pay. Mr. Kenny gave in detail the history of his endeavours to replace short stapled cotton in his districts by long stapled pure Goarani cotton. He said that these endeavours were last year frustrated to some extent, at least in the Jalna district, by the Marwaris combining against him and raising up the prices of inferior staple. Some of the buying agents sent by Bombay Mills were influenced by them and did not carry out the objects with which they were sent. If he was given support by the mill-owners he could promise that next year there would be 75,000 acres of Goarani cotton which would yield a handsome number of bales.

The Hon. Mr. Purushottamdas Thakoredas observed that as long as there was long stapled cotton available near by for mixing purposes it would pay the ryot to grow short stapled cotton.

Mr. Kenny replied to this that steps were being taken by the State to ensure that short stapled cotton did not go to long stapled districts to be ginned. He described the process of the distribution of seeds among the ryots and appealed to all to buy *Kapas* to ensure purity of staple.

The meeting dispersed after Sir Vithaldas D. Thakersey had thanked Mr. Kenny for taking trouble to come over to Bombay to have a conference with the Committee.

From

O. T. FAULKNER, ESQUIRE, I.A.S.,

Professor of Agriculture Punjab,

LYALLPUR.

To

The Secretary,

BOMBAY INDIAN MERCHANTS CHAMBER,

BOMBAY.

Dated, Lyallpur the 19th October, 1916.

Sir,

Hoping that some of your members may be interested in American cotton in the Punjab and a possible, buyer thereof, I have the honour to bring to your notice a few facts concerning it.

It is estimated that the area under American cotton this year is, very roughly about 120,000 acres. Much of this is impure but we estimate that at least 34,000 acres have been sown with seed supplied by this department. This must yield over 200,000 maunds of kapas. The area of this pure, or practically pure American cotton is distributed between the three main colonies roughly as follows :—

Lower Chenab.....	at least	14,000 acres.
Lower Bari Doab.....	„	12,000 „
Lower Jhelum.....	„	8,000 „

Practically all this cotton will be available at places on the four main railway lines in the colonies.

For the pure classes of cotton, grown from departmentally controlled seed, my department hold auction sales wherein the cotton (kapas) is graded into parcels of uniform purity. There is reason to hope that this year most of the cotton reaching the auctions, will contain less than 1 per cent. of country cotton.

These sales were originally started by the department in the interests of sellers and in connection with our own work. But these auctions have met with the approval and support of all the more reputable buyers who have attended them. Opposition and difficulties have arisen only from a certain small number of local buyers.

If I have the honour to receive a reply from any of your members I will forward a detailed programme of the sales and the conditions generally governing them. For the present I may say that we hope to hold about 15 sales at different centres commencing about November 20th, 25th, and continuing at intervals of a few days until well into January. As to the quantity available at the sales, I can only say that I hope that several thousand mounds will change hands at each sale.

Buyers from outside the Punjab can doubtless make arrangements to have their cotton ginned locally if necessary and if any of your members send a representative, I shall be pleased to give any assistance I can.

The presence of the final buyers of the cotton at these sales is highly desirable for I understand that the chief objection to Punjab American cotton is that it seldom reaches the spinner in a pure state. This department can now claim to have caused a large area of this cotton to be grown pure and to have method of sale by which pure kapas can be purchased in large uniform parcels. But unless the spinners themselves buy at these auctions, we cannot

insure the cotton reaching them unadulterated. The area of pure American cotton will undoubtedly increase very greatly in the next few years and if our auctions are again successful this year, we may be able greatly to increase their scope in the future.

I have the honour to be,

Sir,

Your most obedient servant,

O. T. FAULKNER,

Professor of Agriculture, Punjab,

LYALLPUR.

19, Bank Street,

Old Telephone Buildings,

27th November 1916.

From

The Secretary,

The Indian Merchants' Chamber and Bureau,

BOMBAY.

To

O. T. FAULKNER, Esq., I. A. S.,

Professor of Agriculture, Punjab,

LYALLPUR.

SIR,

Your letter of the 19th October 1916 was considered by the Committee fully. They

welcome your valuable work for the American Cotton and have issued 2 circulars to people interested in cotton informing them of all the arrangements made by you. We have also published the facts contained in your letter in the Journal of this Chamber.

I beg to remain,

Sir,

Your most obedient servant,

J. K. MEHTA,

Secretary.

19, Bank Street,

Old Telephone Buildings,

27th November 1916

From

The Secretary,

The Indian Merchants' Chamber and Bureau,

BOMBAY.

To

JOHN KENNY, Esq.,

Director of Agriculture,

H. H. the Nizam's Government,

HYDERABAD (Deccan).

Sir,

Your letter of the 4th October 1916 No. 1265 was considered by the Committee fully. They welcome your valuable work for

the long stapled cotton and have issued 2 circulars to people interested in cotton informing them of all the arrangements made by you. We have also published the facts contained in your letter in the Journal of this Chamber.

I beg to remain,

Sir,

Your most obedient servant,

J. K. MEHTA,

Secretary.

APPENDIX No. 9.

Tariff Valuation Meeting.

No. 1593-9-T., of 1916.

Telegraphic Address "Chamber"

Telephone No. 52.

The Chamber of Commerce,

Bombay, 14th November 1916

The Secretary,

Indian Merchants Chamber and Bureau,

BOMBAY.

Dear Sir,

I am directed to invite one or two representatives of your Chamber to attend a meeting in these rooms on Wednesday the

133675

22nd instant at 4 p.m. (Standard Time) when the Director General of Commercial Intelligence will be present to discuss the annual tariff revision.

Bombay, 17th November 1916

To

The Secretary,

The Bombay Chamber of Commerce,

BOMBAY.

Dear Sir,

In reply to your letter of the 14th instant No. 1593-9-T. of 1916 I am directed to inform you that the following gentlemen will represent the Committee of this Chamber on the Tariff Valuation meeting to be held on Wednesday the 22nd instant at 4 p.m. at your office.

1. Mr. Sorabji Edulji Warden.
2. Mr. Motilal Vallabhji.

Yours faithfully,

J. K. MEHTA,

Secretary.

APPENDIX 10.

Amendment of the Presidency Banks Acts.

No. 3365 of 1916.

Financial Department.

Bombay Castle, 24th November 1916.

From

A. F. L. BRAYNE, Esq., I. C. S.,

Under Secretary to the Government of Bombay;

To

The Chairman, Indian Merchants' Chamber and Bureau,

BOMBAY.

Sir,

I am directed to forward a copy of a letter from the Government of India No. 709-A., dated 13th September 1916 regarding the proposal to amend the Presidency Banks Act, XI of 1876, so as to enable the Presidency Banks to deal in stocks, shares and debentures of railways, the dividend or interest on which is guaranteed by District Boards, and to request that this Government may be favoured with the opinion of your Chamber thereon,

I have the honour to be,

Sir,

Your most obedient servant,

A. F. L. BRAYNE,

Under Secretary to Government.

No. 709-A.

GOVERNMENT OF INDIA.

Finance Department.

From

A. A. L. PARSONS, Esq., I. C. S.,

Under Secretary to the Government of India,

To

All Local Govetnments and to the Administrations of Central Provinces and Assam.

Simla, the 13th September 1916.

SIR,

It has been represented to the Government of India that it is desirable to amend the Presidency Banks Act, XI of 1876, so as to enable the Presidency Banks to deal in stocks, shares, and debentures of railways, the dividend or interest on which is guaranteed by District Boards. Clauses (*a*) (4) and (*d*) of Section 36 of the Act empower Presidency Banks to invest in or advance money on debentures or other securities issued by or on behalf of District Boards, but they do not authorise operations in securities issued by railway companies, in which the participation of District Boards is confined to a guarantee of interest or dividend.

2. The Government of India are disposed to consider tha. an amendment of the Act in this direction may suitably be madet

But it has been suggested to them that it would be advisable to confine the securities in which Presidency Banks would thus be permitted to transact business to those of which the interest is guaranteed by Boards empowered to levy a special cess for the development of local light railways and tramways; and the question also arises whether any special restriction should be imposed on dealings by Presidency Banks in shares of railway companies, the interest on which is only guaranteed by District Boards for a stated period, and not in perpetuity. Before coming to a final decision they would be glad to receive the views of His Excellency the Governor in Council, His Honour the Lieutenant-Governor (in Council), your views on these points, and on the proposal generally: and I am to request that in replying to this letter you will give a list of the securities in Bombay, etc., to which the proposed legislation would apply.

3. A copy of this letter has been forwarded to the Presidency Banks, to the Chambers of Commerce at Calcutta, Madras, Bombay, Rangoon and Karachi, and to the Upper India Chamber of Commerce, with the request that they will forward their opinion on the proposal through the local Government concerned.

I have the honour to be,

Sir,

Your most obedient servant,

A. A. L. PARSONS,

Under Secretary to the Government of India.

7th December 1916,

From

The Secretary,

The Indian Merchants' Chamber and Bureau,

BOMBAY,

To

A. F. L. BRAYNE, Esq., I. C. S.,

Under Secretary to the Government of Bombay ;

Financial Department,

BOMBAY.

Sir.

I am directed by my Committee to acknowledge the receipt of your letter of the 24th November 1916 No. 3365, of 1916 and to send hereby their views on the same.

The Committee approve of the suggestion to empower Presidency Banks to deal in stocks, shares and debentures of railways, the dividend or interests on which is guaranteed by District Boards. At the same time they agree with the proposal to confine the securities in which Presidency Banks would thus be permitted to transact business to those of which the interest is guaranteed by Boards empowered to levy a special cess for the development of local light railways and tramways. They however do not approve of dealings by Presidency Banks in shares of Railway Companies, the interest of which is guaranteed by Boards for a stated period and not in perpetuity.

I beg to remain,

Sir,

Your most obedient servant,

J. K. MEHTA,

Secretary

APPENDIX 11.

Statistical Class.

THE SYDENHAM COLLEGE OF COMMERCE AND ECONOMICS, BOMBAY.

11th November, 1916.

Dear Sir,

It is generally recognised nowadays that the collection and presentment of facts by statistical methods has become increasingly important in modern businesses conducted on a large scale : while it also forms the indispensable foundation of all economic and social knowledge. Nowhere moreover is this truer than in India, where a mass of vague information urgently requires careful sifting. Accordingly a special Department of Statistics has recently been formed at the Sydenham College of Commerce and Economics under Professor A. R. Burnett-Hurst, and it is intended to spare no effort in its development.

Courses have already been started, and others are in contemplation. (Please see the note overleaf).

It is felt however that the work of the College would greatly gain in utility if more exact information were available as to the precise demand, on the part alike of government departments and of private firms, for young men trained in the handling of statistical work : in other words, as to the openings that may exist for those who elect to take up this subject as a speciality and whose qualifications might, subject to Government's sanctioning the proposal, be guaranteed—apart from the University Degree—by a College Diploma in Statistics.

I should therefore be greatly obliged if you would be good enough to let me know your views on the matter, with special reference to your department or business.

Yours very trully,
PERCY ANSTEY,
Principal.

THE FOLLOWING COURSES ARE BEING GIVEN :—

A. *Statistical Methods.*—Scope and limitation of the study. Averages. Measures of dispersion. The graphical method. Standard of accuracy. Index numbers. Method of Samples, Contingency. Correlation. Common errors.

B. *Statistical data relating to British India.* Population. Vital statistics. Trade external and internal. Agriculture. Production. Prices. Wages. Railways. Consumption. Income. Co-operation.

In connection with each lecture a class is held in both courses, to discuss difficulties. etc., in the ensuing winter term it is intended to give further courses, as follows :—

THE FOLLOWING COURSES ARE IN CONTEMPLATION :—

C. *International Statistics.*

D. *Mathematical Methods of Statistic.*

E. *Statistics of Trade :* with special reference to the cotton industry.

Other suggestions will be welcomed.

19, Bank Street,
Old Telephone Buildings.
7th December, 1917.

To

The Principal,
The Sydenham College of Commerce and Economics,
BOMBAY.

Dear Sir,

I am directed by the Committee of this Chamber to acknowledge the receipt of your letter of the 11th November 1916. They approve of the information of a special Department of Statistics of the Sydenham College of Commerce and Economics under Professor A. R. Burnett-Hurst. As to the prospects of employment however of young men getting their diploma in statistics, they are of opinion that there is but a limited scope, at least for the present, in the commercial line.

Yours faithfully,
J. K. MEHTA,
Secretary.

APPENDIX 12.

Contribution to the College of Commerce.

No. 2300.

Educational Department.

Bombay Castle, 12th September 1916.

From

P. W, MONIE. Esq.,

To

The Secretary,
The Indian Merchants' Chamber and Bureau,
BOMBAY.

Sir,

With reference to the correspondence ending with Government letter No. 3686, dated the 16th December, 1915, I am

directed to inquire when the annual contribution of Rs. 1,000 for the year 1916-17, promised by your Chamber towards the maintenance of the Sydenham College of Commerce and Economic-Bombay, may be expected.

I have the honour to be,

Sir,

Your most obedient servant,

P. W. MONIE,

Secretary to Government.

28th November, 1916.

From

The Secretary,

The Indian Merchants' Chamber and Bureau,

BOMBAY.

To

The Secretary to Government,

Government of Bombay,

Educational Department,

BOMBAY:

Sir,

With reference to your letter of the 12th September, 1916, No. 2300, I am directed to send to you herewith as contribution of this Chamber for the year, 1910-17 towards the maintenance of the Sydenham College of Commerce and Economics a sum of Rs. 1,000 by Cheque No. A. 101028 on the Bank of India. They

have asked me further to inform you that they had promised this annual contribution at the time of the establishment of this College as a help in the initial stage. As however the initial stage has now passed they will discontinue their contribution from 1918-19, that is, in addition to the contribution being sent herewith they will send one contribution more.

I beg to remain,

Sir,

Your most obedient servant,

J. K. MEHTA,

Secretary.

APPENDIX 13.

PROPOSED ENHANCEMENT OF THE AUTHORISED GOODS CLASSIFICATION OF A FEW COMMODITIES.

The Madras & Southern Maratha Railway Co., Ld.,

(INCORPORATED IN ENGLAND).

General Traffic Manager's Office,

Central Station,

Madras, 5th December 1916,

THE SECRETARY,

Indian Merchants Chamber & Bureau,

BOMBAY.

Dear Sir,

I am directed to forward for favour of an expression of the views of your Chamber, copies of letter No. 8873. V/T dated 11-13th

October 1916 from the Agent of this Railway and No. 688: T/16 dated the 13th November 1916 from the Secretary, Railway Board Simla, regarding the proposed enhancement on this Railway of the authorised Goods Classification of a few commodities in which the traffic at Class rates is, comparatively speaking, unimportant and which would bear a higher classification without prejudice to the trade.

2. The proposal is made with the object of reducing the number of exceptions to the General Classification which still exist. It may interest the Chamber to know that the Madras and Souther Mahratta Railway has already, with this object in view, agreed to adopt a lower Classification for 328 commodities since the new General Classification was issued, and that in the case of only 38 commodities has the Classification been increased. These increases were only adopted after the consent of your Chamber was obtained, vide your letter dated 26th January 1916 to the Secretary, I. R. C. A.

3. I attach statements A and B showing the reductions and increases made in the past to obtain uniformity.

4. The present proposal relates to the increase of the Classification of the following comodities to the level of the General Classification as shown opposite each :—

Description.	Exceptionnl Classification over M. S. M. Ry.	General Classification.
Bottles	1 R. R.	2 R. R. 1 O. R.
Cloves	2 „	3 „ 2 „
Mattings of all kinds { Matting	1 „	2 „ 1 „
Bamboo	1 „	
Dates	1 „	
Country	1 „	
Machinery	1 „ W/81	2 „ 1 „
Potatoes	1 „	2 „ 1 „
Spices N.O.C.	1 „	3 „ 2 „
Aluminium	1 „	3 „ 2 „
Bamboos	1 „	2 „ ...
Do. W/200 B. G. 100 M. G.		

5. It will be seem that in all the above cases except in the case of Bamboos, the difference is only in risk condition and the existing exceptional rates could still be availed of by a risk note being signed.

6. It is no doubt, known to the Chamber that where two rates are quoted, one at Railway risk and another at owner's risk, Owner's risk rate is ordinarily used, and the trade is not therefore likely to suffer by the adoption of the General Classification, especially in view of the fact that risk note form B is not a protection to the Railway when a complete package is lost.

7. In the case of Bamboos, it may be pointed out that bamboos are generally carried in wagon loads, when they are charged last class at O. R. according to the General Classification and this Railway has also a schedule rate for the same which is lower than 1st class. There is no need therefore to retain the exceptional classification of 1st class at R. R. for small quantities.

8. I trust the Chamber will be pleased to support the attempt of this Railway towards greater uniformity and simplification of the Goods Tariff.

9. The favour of an early reply is requested.

Yours faithfully,

(Sd.) General Traffic Manager.

Copy of letter No. 8863 V/T dated 11-13th October 1916, from the Agent, M. S. M. Railway, to the Secretary, Railway Board, (Ordinary Branch), Simla.

Further to para 2 (*e*) of my letter No 6614/T of the 25th September 1916. in reply to your No. 280. T/16 of 31st May 1916, I have the honor to inform the Railway Board that the Secretary, Indian Railway Conference Association, has written to say that any further representation to the Railway Board should be made direct by me.

2. I desire to explain that of the commodities mentioned in your letter No. 280. T-16 dated 11th March last to the Secretary, Indian Railway Conference Association, only 3 appear in our exceptional list, viz.; Bottles, Cloves and Matting of all kinds and the following are the particulars of their classification and of the traffic carried during the 3 months in which the traffic was heaviest.

Description.	General Classification.	Exceptional Classification M. S. M. Ry.	Quantity carried for 3 month in which traffic was heaviest.	
			Mds.	Rs.
Bottles	2 R.R. 1 O.R.	1 R.R.	4,179	1,362
Cloves	3 „ „	2 „	1,403	904
Matting of all kinds ...	2 „ „	Matting bamboo 1 „	5,634	1,239
		„ Dates 1 „	6,261	1,444
		„ Country 1 „		

In these cases the higher classification is for Railway risk only, and if the General Classification is adopted, the traffic would still be carried at the existing rates, on a risk note being signed.

3. In regard to the following comodities the enhancement of the exceptional classification to the level of the General Classification was also suggested by our General Traffic Manager to the Secretary, Indian Railway Conference Association, but that officer did not include them in his proposals to the Railway Board (Annexure B to Appendix B of the proceedings of the Goods Classification Committee Meeting No. 17) for the reason that the

traffic in these commodities was considerable and that it was intended to apply the enhancement only to cases where the traffic was insignificant.

Description.	General Classification.	Exceptional Classification over M.S. Ry.	Quantity Carried for 3 months.	
			Mds.	Rs.
Machinery ...	2 R.R. 1 O.R.	1 R.R. W/81	10,602	5,236
Potatoes ...	2 „ 1 „	1 „	66,216	12,567
Spices N.O.C ...	3 „ 2 „	2 „	1,869	903
Aluminium ...	3 „ 2 „	2 „	1,620	928

The traffic in these comodities is no doubt somewhat large, but the difference in rates is only in risk conditions and the existing exceptional rates could still be availed of by a risk note being signed. It is the experience of this Railway that where two rates are quoted, one at railway risk and another at owner's risk, the owners risk rate is ordinarily used, and the trade is not therefore likely to suffer by the adoption of the General Classification especially in view of the fact that the risk note form 'B' is no protection to the Railway when a complete package is lost.

(*a*) With regard to Potatoes. Schedule 'O' rate is applicable when consigned at owner's risk over this Railway and it is lower than the 1st class rate, when booked for distance over 200 miles. For 200 miles and less, the Schedule 'O' and the 1st class rate are equal and this accounts for the somewhat large quantity, *i.e.*, 66,216 mds. being carried at 1 R. R.

Perishables are not ordinarily carried at railway risk, and the removal of the Exceptional classification will not therefore affect the trade.

It was also represented to the Secretary, Indian Railway Conference Association, that Bamboos should be removed from the exceptional list. The General Classification for bamboos is 2. R. R. and our Exceptional Classification is 1 R. R. The quantity carried at 1st class rate during 3 months in which the traffic was heaviest was 4, 981 mds. Bamboos are generally carried in wagon loads and this Railway has a schedule rate for the same, lower than 1st class. There is no need therefore for retaining the Exceptional Classification of 1st class for small quantities.

5. In the circumstances explained above, I request the sanction of the Railway Board to the enhancement of the rates over this Railway to the level of the General Classification for the following commodities :—

Bottles, Cloves, Matting of all kinds.

Machinery, Potatoes, Spices N. O. C.

Aluminium and Bamboos.

18th December, 1916.

To

The General Traffic Manager,

The Madras & Southern Maharatta Railway Co., Ltd.

MADRAS.

Dear Sir,

With reference to your letter of the 1st instant No. R. G. 138-05. K. I am directed by the Committee of this Chamber to send their opinion hereby.

They have no objection to the proposed enhancement on your Railway of the authorised goods classification of a few commodities in the which the traffic at Class rates is, as mentioned by you, unimportant and which would bear a higher classification without prejudice to the trade. They are however sorry they cannot approve of such an enhancement for the following commodities traffic in which appears to them to be considerable :—

1. Machinery. 2. Bamboos. 3. Potatoes. It is true that your Railway has a schedule rate for bamboos when they are carried in waggon loads, but the Committee do not know how much of the total traffic is carried in waggon loads.

With regard to Potatoes when carried on distances over 200 miles low rates apply, but here again the Committee do not know how much of the large traffic is long distance traffic.

With regard to machinery as much facility as possible should be given in the present stage of industrial development here.

Yours faithfully,
J. K. MEHTA,
Secretary.

The Madras & Southern Mahratta Railway Co., Ld.

(Incorporated in England).

The General Traffic Manager's Office.
Central, Station, Madras,
17th January 1917.

No. R. G. 138/05/K.

The Secretary,
Indian Merchants' Chamber & Bureau,
BOMBAY.

Dear Sir,

I beg to thank you for your letter dated the 18th ultimo intimating to me that your Committee has no objection to the

proposed enhancement of this railway's exceptional classification to the level of the general classification, for commodities other than Bamboos, Potatoes and Machinery and that in the case of the latter, they cannot approve of such an enhancement as traffic in them appears to be considerable.

2. Dealing first with Bamboos, I have obtained particulars of traffic in bamboos both in wagon loads and in small quantities during one quarter from a few bamboo booking stations and they are given below :—

From Station.	Total quality of bamboos booked in wagon loads during a period of 3 months	Total quantity of bamboos booked in small quantities during the same period.
	Mds.	Mds.
Rajahmundry	66560	Nil.
Gazulapalli	21590	,,
Diguvamitta	1350	,,
Chelama	1000	,,
Katpadi	3954	656
Ambur	8922	243
	103376	899

3. It will be seen from the above that the smalls do not form even 1 per cent of the traffic sent in wagon loads.

4. As regards Potatoes, I give below particulars of traffic received at Madras during quarter ending 30th October 1916.

From Stations.	Total quantity Mds.	Distance from Madras Miles.
Mettupaliam	27197	328
Keti	287	352
Bangalore City	3463	219
Bangalore Cantt. ...	653	219
Malur	50	192
Bowringpet	139	176
Devanhalli	496	244
Chcikballapur	503	240
Total...	32788 Mds.	

5. The above figures show that Potatoes traffic to Madras is mostly carried from distant stations and the quantity booked from stations less than 200 miles distant falls below 1 percent of the total.

6. With regard to Machinery, it may be noted that our exceptional classification 1st class is only applicable to wagon loads of 81 mds. and over, whereas if a risk note were signed, it would apply to small quantities also. Originally this Railway had no owner's risk rate, the classification for small lots being 2nd class and for wagon loads of 81 mds. and over, 1st class, both applicable at railway risk ; but when to secure uniformity a lower classification 2 R. R. 1 O. R. for any quantity was proposed as the General classification for adoption by all railways in the year 1914, we also adopted it but were prevented from dropping the 1st class R. R. rate for wagon loads. The withdrawal of the 1st class rate for

wagon loads cannot result in increased earnings to the railway or loss to the trade.

7. As the present proposal is made solely with a view to secure greater uniformity and simplification of the tariff, it is requested that your Committee will kindly reconsider the question in the light of the further remarks and figures given above and intimate their approval to the withdrawal of the exceptional classification for bamboos, potatoes and machinery also and oblige.

8. I may add that the Chambers of Commerce Madras, Coconada and Bombay have already replied supporting my proposals.

9. An early reply is requested.

Yours faithfully,

(Sd.) General Traffic Manager.

20th January, 1917.

19, Bank Street,

Old Telephone Buildings,

To,

The General Traffic Manager,

The Madras & Southern Maharatta Ry. Co. Ltd.

MADRAS.

Dear Sir,

With reference to your letter of the 17th instant, No. R. G. 138/05/K, I am directed to thank you on behalf of the Committee

of this Chamber for your courtesy in supplying fuller information regarding the three commodities, bamboos, potatoes and machinery. After further consideration of the information supplied by you, my Committee see no objection to the withdrawal of the exceptional classification for bamboos, potatoes and machinery.

Yours faithfully,

J. K. MEHTA,

Secretary.

APPENDIX 14.

REMARKS ON BILLS OF LADING.

The Indian National Association, Zanzibar.

No. 431-16. 24th October 1916.

Dear Sir,

I am directed to thank your Chamber very much for exerting their best to spread the samples of the clothes used by natives of East Africa among the Bombay merchants, sent for the purpose by my Managing Committee. More samples are being collected and it is hoped to forward the same on to you at an early date. I am to request you to try to get counter samples of cloths from various merchants at Bombay etc., and get their offers for the

same, whereupon their business may be placed in these markets if possible. It is expected our merchants would not allow this opportunity to be slipped off their hands to regain their footing in business on this side of the world.

In one of the meetings of my Managing Committee during the last month a motion was brought forward by a member of the Committee to consider "whether the remark placed by various shipping companies on their Bills of lading pro forma 'NOT RESPONSIBLE for marks and contents' is in any way legally or morally justified." It was resolved thereupon to collect all such matters of complaints affecting our merchants here and in India against the steamer companies and to ask the co-operation of our Bombay Chamber and to try to remove them. A sub-committee was appointed for the purpose. Before the full report of this Committee may be submitted before the Managing Committee I should be obliged if you would be good enough to put this one matter before your Committee for their consideration and let me know their ideas in the matter and the steps that they suggest to get rid of it, lest at times it may prove injurious to the merchants.

Thanking you in anticipation.

Yours faithfully,

TRIKAMDAS RAMJI,

Honorary Secretary

The Indian Merchants Chamber & Bureau.

Telegraphic Address :—
"INCHAMBU"
Telephone No :—1180.

Old Telephone Buildings,
19, Bank Street, Fort,
Bombay, 8th January 1917.

To,

The Hon. Secretary,
The Indian National Association,
ZANZIBAR.

Dear Sir,

With reference to your letter of the 22nd November, 1916 No. 422-16, my Committee will like to know if you have addressed a letter to the B. I S. N. Co., regarding the complaints of passengers on board the S. S. Dilwara, and if so what reply you have received, before they take any action in the matter.

With reference to your letter of the 25th October 1916, No. 431-16, second paragraph, my Committee find after making due inquiries that the remarks in bills of lading pro forma "not responsible for marks and contents" are to be found on bills of lading of all the shipping companies. My Committee also find that there is no complaint here against these remarks and so do not propose to take any action in this matter.

Yours faithfully,

J. K. MEHTA,

Secretary.

APPENDIX 15.

British Preferential Tariff.

19, Bank Street,

Old Telephone Buildings,

2nd November 1916.

From

The Secretary,

The Indian Merchants' Chamber & Bureau,

BOMBAY.

To

The Hon'ble Mr. C. E. LOW, C. I. E., I. C. S.,

Secretary,

Commerce & Industry Department,

Government of India,

SIMLA.

Sir,

The attention of my Committee is drawn to the difference in the import tariff in British Colonies between what is known as General Tariff and British preferential Tariff. My Committee will be obliged if you will be kind enough to inform them as to whether India is getting the advantage of British Preferential Tariff or not?

I beg to remain,

Sir,

Your most obedient Servant,

J. K. MEHTA,

Secretary.

No. 12027-C.

GOVERNMENT OF INDIA.

Department of Commerce & Industry.

(Customs).

Simla, the 6th November, 1916.

From

G. S. HARDY, Esquire, I. C. S.,

Under Secretary to the Government of India.

To

The Secretary,

The Indian Merchants' Chamber & Bureau,

BOMBAY.

Sir,

In continuation of my letter No. 11019, dated the 9th November 1916, I am directed to say that, so far as the Government of India are aware, preferential Customs treatment is accorded to the produce of the United Kingdom and certain reciprocating colonies in the Colonies comprising the South African Customs Union, Canada, Australia, New Zealand, and in British Guiana, and that Indian goods get the benefit of the preferential tariff only in Canada and New Zealand.

I have the honour to be,

Sir,

Your most obedient Servant,

G. S. HARDY,

Under Secretary to the Government of India.

20th January, 1917.

From,

The Secretary,

The Indian Merchants' Chamber & Bureau,

BOMBAY.

To,

G. S. HARDY, Esquire, I. C. S.

Under Secretary to the Government of India,

SIMLA.

Sir,

I am directed to acknowledge with thanks your letter of the 6th December 1916 No. 12027-C. My Committee cannot understand why Indian goods should get the benefit of the preferential tariff only in Canada and New Zealand. India imports practically at a nominal rate of duty goods from all the Colonies including South Africa and it is but fair that she should get preferential treatment from them. India not only reciprocates but gives exceptional facilities to all the foreign countries and Colonies by having as low tariff duties as possible. There is for movement more and more solidarity of trade within the Empire. Without going into the pros and cons of this question here, my Committee would like to suggest that India should be put on a preferential treatment in Colonies like South Africa with which she has been able to do a large business recently.

I beg to remain,

Sir,

Your most obedient servant,

J. K. MEHTA,

Secretary.

No. 1096-C.

GOVERNMENT OF INDIA.

Department of Commerce and Industry.

Simla, the 25th January 1917.

From

G. S. HARDY, Esquire, I. C. S.,

Under Secretary to the Government of India,

To

The Secretary,

The Indian Merchants' Chamber & Bureau,

BOMBAY.

Sir,

I am directed to acknowledge the receipt of your letter dated the 20th January 1917, and to intimate that it will be submitted for the consideration of the Government of India.

I have the honour to be,

Sir,

Your most obedient Servant,

G. S. HARDY,

Under Secretary to the Government of India.

APPENDIX 16.

Quarterly Rail & River Borne Trade.

From,

THE HON'BLE MR. G. F. KEATINGE, C. I. E., I. C. S.,

Director of Agriculture, Bombay-Poona.

To,

The Secretary,

Indian Merchants' Chamber & Bureau,

BOMBAY.

Poona, 19th December 1916

Sir,

In enclosing a copy of letter No. 2998 dated 14th November last from the Director of Statistics to the Secretary to the Government of Bombay, Revenue Department, I have the honour to request that you will kindly place the matter before the Chamber and let me know if the publication of the quarterly Rail and River borne Trade returns of India may in their opinion be discontinued without inconvenience.

I have the honour to be,

Sir,

Your most obedient servant,

G. F. KEATINGE,

Director of Agriculture.

No. 2998.

Department of Statistics, India.

Calcutta, the 14th November 1916.

From

G. FINDLAY SHIRRAS, Esquire, M. A., I. E. S.

Director of Statistics :

To

The Secretary to the Government of Bombay,

Revenue Department.

Sir,

I am directed to address you regarding the continuance of the publication of the Quarterly Accounts of Rail and River borne Trade of India.

2. In this Department's letter No. 600 dated the 3rd June 1901 (a copy of which is enclosed) Local Governments and Administrations were asked to discontinue the publication of the provincial quarterly rail and river-borne trade returns and to send to this Department in manuscript only a statement of the external trade of the Province which would be used for the compilation of the consolidated quarterly accounts of India. These consolidated accounts, I am to say, still continue to be published by this Department.

3. The question of discontinuing the publication of these quarterly accounts for India has recently been raised and before a decision is reached regarding their discontinuance the Government of India will be glad to know whether these accounts are in reality of use to Local Governments and Administrations and to the

commercial public, and whether in the opinion of His Excellency the Governor in Council their continued publication is still considered desirable.

I have etc.

(Sd.) G. F. SHIRRAS,

Director of Statistics.

Copy of a letter No. 600 dated the 3rd June 1901, from the Director General of Statistics, to Local Governments and Administrations.

With reference to the Resolution of the Government of India in the Home Department No. 987-1013 dated the 25th February 1901, on the subject of the curtailment and reduction of periodical reports and returns, I have the honour by direction of the Government of India to enclose a statement of the reductions which the

	Report*	Appendices
Assam	...	80
N. W. Provinces and Oudh...	9	116
Punjab	5	135
Bombay	10	126
Sind	14	39

	Report*	Appendices
Central Provinces	11	106
Madras	11	80

Government desire should be made in the annual report and table of the trade carried by rail and river and to request that the report and tables may be reduced in accordance therewith. It is estimated that the report need not extend to more than * pages in future and the appendices to @ pages.

2. I am to add that the Government of India consider that quarterly accounts of the rail-borne trade need not be printed and published provincially and their publications may therefore now be discontinued.

3. The consolidated quarterly accounts for all India compiled in this office will, however continue to be published, and for their compilation the quarterly statement X of the trade with other provinces, Native States, and the chief sea-ports should be sent to me as heretofore. It may be sent in manuscript.

X. 1. Assam, the N. W. Provinces and Oudh, the Punjab, the Madras Presidency.

11. The Bombay Presidency.

B. Sind.

C. The Central Provinces.

The Indian Merchants' Chamber & Bureau.

Telegraphic Address :—
"INCHAMBU"

Telephone No:—**1180.**

Old Telephone Buildings,
19, Bank Street, Fort.
Bombay, 8th January 1917.

From

The Secretary,
The Indian Merchants' Chamber & Bureau,
BOMBAY.

To,

The Hon'ble Mr. G. F. KEATINGE C. I. E. I., C. S.
Director of Agriculture,
POONA.

Sir,

With reference to your letter of the 19th December 1916, No. 11613 of 1916, I am directed by the Committee of this Chamber to inform you that they have no objection to the discontinuance of the publication of the Quarterly Rail & River borne Trade returns of India during the war period.

I beg to remain,
Sir
Your most obedient servant,
J. K. MEHTA,
Secretary.

APPENDIX No. 17.

INDUSTRIAL COMMISSION.

Indian Industrial Commission.

The full postal address of the Commission is :—

"INDIAN INDUSTRIAL COMMISSION CAMP."

[*The name of a post town should not be added.*]

The telegraphic address of the Commission is :—

"INDESCOM"

with the addition of the name of the telegraph town at which the Commission is halted.

If there is doubt as to the name of the telegraph town, senders of telegrams may wire to—

"INDUSCOM, BOMBAY."

No. 2234.

Postal Address :

"Indian Industrial Commission Camp"

(without the addition of a post town).

Calcutta, dated 11th December, 1916.

From

R. D. BELL, ESQ., I. C. S.,

Secretary, Indian Industrial Commission,

To

The Chairman,

Indian Merchants' Chamber and Bureau,

19, Bank Street, Old Telephone-Buildings, Bombay.

Sir,

I have the honour to enclose 6 copies of a question list prepared for the assistance of witnesses giving evidence before the

Indian Industrial Commission. I am directed to invite the Indian Merchants' Chamber and Bureau to give evidence under the arrangements described in No. 3 of the instructions. The written evidence should be submitted within one month. Arrangements for oral evidence will be made later.

I have the honour to be,

Sir,

Your most obedient servant,

R. D. BELL,

Secretary, Indian Industrial Commission.

Indian Industrial Commission.

When forwarding their answers to the questions suggested for their assistance, witnesses are requested to fill in and return this form.

Name :—

Permanent Postal Address :—

Profession, occupation, or appointment :—

If representative of a body, the name and address of the body represented :—

Please read carefully the instructions given on the next page. All communications for the Commission should be addressed :—

The Secretary,
Indian Industrial Commission,
Camp.

Indian Industrial Commission.

Instructions to persons invited to give evidence before the Commission.

It is not intended that individuals or bodies invited to give evidence should attempt to answer all the questions.

The Commission will naturally attach importance to the practical experience and special knowledge which witnesses have acquired of the matters regarding which they offer opinions.

1, The question in the accompanying lists have been framed so as to cover, as far as practicable, the whole scope of the enquiry to be made by the Indian Industrial Commission.

2. Each witness will also be examined orally by the Commission. At the oral examination, he will probably be examined on his written evidence in order to make clear doubtful points, and otherwise to enable the Commission to estimate its value.

3. A Chamber of Commerce or similar body invited, as a Chamber or body, to give evidence, may either submit one set of answers to the questions, which it desires to answer, and select not more than three representatives to support its views in oral examination ; or it may nominate two or three individuals to give each his own views, in writing and afterwards orally. These individuals may be selected either as representing different interests, or as having knowledge and experience of different subjects. or as representing different views on one or more subjects.

Individuals who are members of Chambers of Commerce or similar bodies may give evidence, at their own request or by invitation, independently of these arrangements. The evidence of these witnesses will be taken as representing their individual views only.

4. In answering the printed list of questions, *witnesses need not restrict themselves to a series of answers to the questions* on which they desire to give evidence. The evidence are intended merely as a guide to show witnesses the matters on which the Commission desires to gather information and opinions. *The Commission prefers that witnesses should submit their views in a connected statement for each subject*, and include in each such statement their answers to the various questions.

5. Witnesses who desire that any portions of their evidence should be treated as confidential are requested clearly to mark such portions. Oral evidence will also be treated as confidential when witnesses so desire. They will be given the opportunity of revising the proofs of their oral evidence.

R. D. BELL,
Secretary.

The 2nd December, 1916.

Indian Industrial Commission.

Questions for the assistance of witnesses.

I.—Financial aid to Industrial Enterprises,

Capital.

1. Please state if you have had any experience of the raising of capital for industrial enterprises?

If so, what difficulties have you found in doing so?

What suggestions have you to make for removing these difficulties?

2. What are the sources from which capital for industrial enterprises is principally drawn?

2*a*. Can you suggest any new sources from which capital may be drawn?

3. Do you know of any kinds of industrial enterprise where more concerns have been started than can be maintained in full time employment?

GOVERNMENT ASSISTANCE.

5. What are your opinions on the following methods of giving Government aid to existing or new industries :—

(1) money grants-in-aid ;

(2) bounties and subsidies ;

(3) guaranteed dividends for a limited period, with or without subsequent refund to Government of the expenditure incurred in paying dividends at the guaranteed rate ;

(4) loans, with or without interest ;

(5) supply of machinery and plant on the hire-purchase system ;

(6) provision of part of share capital of companies on the same basis as public subscriptions of capital ;

(7) guaranteed or preferential Government purchase of products for limited periods ; and

(8) exemption for a limited period of the profits of new undertakings from income-tax; and exemption from any tax on an industry, or on any article used in an industry?

6. In which methods of Government assistance should there be Government control or supervision?

What should be the form of such control or supervision? (*e.g.*, Government audit or appointment of Government directors with defined powers for the period during which direct assistantce lasts.)

Pioneer Factories.

7. What is your experience or opinion of Government pioneer factories?

[Note.—By pioneer factories are meant those established primarily to ascertain whether a new industry is commercially practicable?

By demonstration factories (see questions 19 and 20) are meant those established primarily for giving demonstrations of an instruction in improved methods for industries which have been proved to be commercially practicable.]

8. In what ways and to what extent should Government pioneer industries?

At what stage should pioneer factories be either closed or handed over to private capitalists or companies?

What limits and restrictions, if any, should be imposed on the conversion of successful pioneering experiments into permanent Government enterprises?

Financing Agencies.

9. In your experience what industries are hampered by the conditions under which they are financed as going concerns?

Please describe the method of financing and its effect on the industry in each case.

10. In what ways is it possible to give more assistance to industrial undertakings by existing or new banking agencies?

10*a*. Do you think there is need of a banking law?

[See also question 39.]

Co-operative Societies.

11. Do you know of any industries which have been developed or assisted by the formation of Co-operative Societies?

What were the exact means adopted and what were the results obtained?

12. In your experience what are the industries for which Co-operative Societies should be encouraged?

What should be the organisation and special objects of these Societies?

12*a*. What suggestion have you to make for industrial development by means of Trade Guilds, such as exist in other countries?

How far should the State encourage the promotion of such Guilds?

Limits of Government Assistance.

13. What principles should be followed in order to prevent Government aid competing with existing, or discouraging fresh, private enterprises?

14. Should there be any limitations on Government aid to a new enterprise if it competes with an established external trade?

II.—TECHNICAL AID TO INDUSTRIES.

Tehnical Aid in general.

15. What is your personal knowledge or experience of technical and scientific aid provided by Government to industrial enterprises?

16. What is your personal knowledge or experience of noticeable benefits received by local industries from researches conducted by Government Departments?

17. On what conditions should the loan of Government experts be made to private firms or companies?

18. Under what restrictions and conditions would you allow publication of the results of researches made by a Government paid expert while attached to a private business?

Demonstration Factories.

19. Can you suggest any industries for which Government demonstration factories should be adopted and on what lines? (See note below Question 7.)

20. Should any demonstration factories be instituted in your Province?

Research abroad.

21. What has been your experience of the aid afforded by the Scientific and Technical Department of the Imperial Institute.

What are its advantages and disadvantages?

22. In addition to arrangements made for research in India, is it advantageous to have provision for research for special subject in the United Kingdom?

If so for what special purposes is it advantageous to conduct researches in England rather than in India?

23. In what ways can be Advisory Council for Research in the United Kingdom give assistance to Indian industries?

24. Can you suggest for this country any system, similar to that of the Advisory Council for Research in the United Kingdom, for referring research problems to Colleges and other appropriate institutions in India? See Questions 75 and 76.

SURVEYS FOR INDUSTRIAL PURPOSES.

25. Does the existing knowledge of the available resources of the country—agricultural, forest, mineral, etc.,—require to be supplemented by further surveys?

26. How should such a survey be organised?

27. How should its results be made most useful to industries?

27*a*. What is your experience or opinion of the value of Consulting Engineers appointed by Government to aid industrial enterprise by technical advice and by the supply of plans and estimates?

(*b*) Should such Consulting Engineers be allowed to undertake the purchase of machinery and plant for private firms or individuals? If so, under what conditions?

[See Question 63 *et seq.*]

III.—ASSISTANCE IN MARKETING PRODUCTS.

COMMERCIAL MUSEUMS.

28. What is your experience or opinion of Commercial Museums *e.g.*, that in Calcutta?

29. If you think Commercial Museums should be developed and increased in number what suggestions have you to make regarding their situation, arrangement and working ?

SALES AGENCIES.

What is your experience or opinion of sales agencies or commercial emporia for the sale as well as display of the products of minor and unorganised cottage industries.

How should they be developed ?

30*a*. Would travelling exhibitions of such industries be of advantage ?

EXHIBITIONS.

31. What is your opinion or experience of the value of industrial exhibitions ?

32. Should Government take measures to hold or to encourage such exhibitions ?

If so, what should be the Government policy ?

33. What should be the nature of such exhibitions ?

Should they be popular in character, or should they aim merely at bringing sellers and buyers into contact ?

TRADE REPRESENTATIVES.

34. Should trade representatives be appointed to represent the whole of India, in Great Britain, the Colonies and Foreign Countries ?

What should be the qualification of these trade representatives ?

How should their duties be defined ?

35. In addition to these trade representatives would it be suitable in some cases also to have temporary Commissions for special enquiries ?

36. Should Provinces in India itself have trade representatives in other Provinces ?

How should such representation be arranged for ?

GOVERNMENT PATRONAGE.

37. Should the principal Government Departments which use imported articles publish lists of these articles, or exhibit them in Commercial Museums ?

38. With reference to the encouragement of Indian Industries have you any criticism to offer regarding the working of the present rules relating to the purchase of stores by Government Departments ?

Have you any changes to propose in the rules themselves ?

BANKING FACILITIES.

39. In what ways is it possible to assist in marketing indigenous products by more banking facilities, either through existing agencies (such as the Presidency, Exchange, Joint Stock and Co-operative Credit Banks), or through new agencies (such as Industrial and Hypothec Banks) ? (See also question 10).

IV.—OTHER FORMS OF GOVERNMENT AID TO INDUSTRIES.

SUPPLY OF RAW MATERIALS.

40. What conditions should control the supply of Government owned raw materials (*e. g.*, forest products) on favourable terms ?

LAND POLICY.

41. Is there any check at present imposed on industrial development in your Province by the land policy of Government ?

If so, what remedies do you suggest ?

(NOTE.—The expression "land policy" is intended to cover laws and regulations relating to settlements, the Government assessment, rents, tenant rights, permission to use land for industrial purposes, and generally all matters connected with the ownership and use of land.)

42. On what principles should Government give concessions of land for the establishment of new, or the development of existing industries ?

43. What criticisms have you to make regarding the working of the present law for the acquisition of land on behalf of industrial companies ?

What modifications of the law do you recommend ?

43*a*. In what ways and what terms can Government assist in the provision of subterranean or surplus water for industrial purposes.

V.—TRADING OF LABOUR AND SUPERVISION.

GENERAL.

44. (*a*) Do you think that the lack of primary education hinders industrial development ?

(*b*) What has been done in any industry of which you have had experience to improve the labourer's efficiency and skill ?

45. What steps do you consider should be adopted to improve the labourer's efficiency and skill—

(*a*) generally, and

(*b*) in any industry of which you have had experience ?

APPRENTICESHIP SYSTEM AND INDUSTRIAL AND OTHER SCHOOLS.

46. What special knowledge or experience have you of the training of apprentices in factories and workshops ?

47. What advantages have you observed to follow from the establishment of industrial schools.

48. On what lines should these two systems of training (*i.e.*, apprenticeship system and industrial schools) be developed and co-ordinated ?

49. What has been your experience of day schools for short-time employees, or of night schools ?

How should these be developed ?

50. Should industrial and technical schools and commercial colleges be under the control of the Department of Education or of a Department of Industries ?

What measures should be adopted in order that these two Departments should work in unison in controlling industrial schools ?

TRAINING OF SUPERVISING AND TECHNICAL STAFF.

51. What measures are necessary for the training and improvement of supervisors of all grades and of skilled managers ?

52. What assistance should be given to supervisors, managers and technical experts of private firms to study conditions and methods in other countries ? (See Question 77.)

53. In what circumstances and under what conditions should industries assisted by Government be required to train technical experts ?

MECHANICAL ENGINEERS.

54. Is there a want of uniformity in the standard of examinations for mechanical engineers held in the various provinces where engineers in charge of prime movers are required in certain cases to be certificated ?

If so, should measures be adopted to make such tests uniform so that the Local Governments and Administrations may reciprocate by recognising each other's certificates ?

55. If the law in your province does not require any qualifications in an engineer in charge of a prime mover have you any criticism or suggestions to make ?

VI.—GENERAL OFFICIAL ADMINISTRATION AND ORGANISATION.

56. What provincial organisation exists in your Province for the development of industries ?

What criticism have you to make regarding its constitution and functions ?

57. What organisations do you recommend for the future development of industries in your Province ?

Should there be a Board of Industries ?

If so, what should be the functions of such a board ?

Should it be merely advisory or should it have executive powers with budgetted funds ?

58. If you recommend an Advisory Board, how should it be constituted ?

59. If you recommend a Board with powers, what should be its constitution and how should its powers be defined.

60. Should there be a Director of Industries ?

What should be his functions ?

Should he be a business man, or a non-expert official, or a technical specialist ?

What other qualifications should he possess ?

61. If you recommend both the formation of a Board of Industries and the appointment of a Director of Industries, what should be the relations between the Board of Industries, the Director of Industries and the Provincial Government or Administration ?

62. What form of machinery do you propose in order to correlate the separate activities of the various provinces as regards industries ?

Is it practicable to form an Imperial Department under a single head ?

If so, what should be the functions of such a Department ?

COTTAGE INDUSTRIES.

62*b*. Please explain in detail what should be the Government policy as regards cottage industries and how it should be carried into effect ? In this connection, see especially Questions 11, 30, 64 and 72.

62*c*. What cottage industries do you recommend should be encouraged in this way ?

VII.—ORGANISATION OF TECHNICAL AND SCIENTIFIC DEPARTMENTS OF GOVERNMENT.

General.

63. Are there in your Province any technical and scientific departments which are capable of giving assistance to industries?

If so, what criticisms have you to make regarding their organisations?

What changes do you recommend?

Imperial Departments.

64. In order to aid industrial development do you recommend the formation of any new Imperial Scientific and Technical Departments?

If so, for what subjects or natural groups of subjects?

65. How should such an Imperial Department be constituted and recruited?

66. What should be the powers of the head of the Department?

If he has executive control of the Department, what should be his relationship to the Imperial Government,

67. What should be the relationship of an expert, whose services are loaned by the Imperial Department to a Local Government, with the Local Government and the latter s Department of Industries?

PROVINCIAL DEPARTMENTS.

68. For what subjects should Local Governments engage their own experts or organise their own technical and scientific departments?

69. Under what direct control should these experts and departments be placed?

70. On what terms should these experts be employed?

TECHNOLOGICAL INSTITUTIONS.

71. What is the most suitable way of developing technological research institutions, such as the Indian Institute of Science?

71*a*. Should there be a Technological Institute for each province, and should such Institutes be allowed to develop as independent units, or should they be fitted into a general development scheme for the whole of India, with a Central Research Institute.

72. As regards investigation and research should each Institute be general in its activities and interests, or should each deal with a limited group of related subjects?

73. Should there be any Government control?

If so, should this control be Imperial or should it be purely Provincial or Local?

CO-ORDINATION OF RESEARCH.

74. Is it desirable that measures should be taken to co-ordinate and prevent unnecessary overlapping of the research activities in Government Technical and Scientific Departments, Special Technological Institutes and University Colleges?

If so, what are your suggestions?

75. What noticeable results have followed from the institution of the Indian Science Congress?

76. Can you suggest any ways in which the Congress might become more useful in assisting industrial development? (See Question 24.)

STUDY OF FOREIGN METHODS.

77. What encouragement should be given to Government technical and scientific experts to study conditions and methods in other countries? (See Question 52.)

REFERENCE LIBRARIES.

78. What difficulties have you experienced in consulting technical and scientific works of reference?

79. Have you any suggestions to make regarding the establishment of libraries of such works?

COLLEGES OF COMMERCE.

80. Do you think that the establishment of a College of Commerce is necessary in your Province?

If so, on what lines should it be organised?

81. In what ways do you expect such a College to assist industrial development?

81*a*. In what ways can Municipalities and Local Boards assist in promoting industrial and commercial development?

VIII.—GOVERNMENT ORGANISATION FOR THE COLLECTION AND DISTRIBUTION OF COMMERCIAL INTELLIGENCE.

Statistics.

82. Have you any criticisms to offer on the present system of collecting and distributing statistics by the Director of Statistics?

What changes do you suggest?

Commercial Intelligence.

83. Have you any criticism to offer on the present system of collecting and distributing commercial intelligence by the Director General of Commercial Intelligence?

What modifications do you suggest?

Industrial and Trade Journals.

84, What advantages have you found in the issue of the "Indian Trade Journal"?

85. Should Government establish or assist industrial or trade journals, either general or for special industries, which would be of real use to persons actively engaged in industries?

86. What proposals do you make for the dissemination of information of this kind through the various vernaculars?

Other Publications.

87. What advantages have you known to follow the issue of special monographs on industrial subjects or publications like those of the Forest and Geological Departments?

What measures do you advise in order to increase the usefulness of these publications ?

88. Are there any other directions in which Government could collect and publish information of a kind likely to assist industries and trades ?

IX.—OTHER FORMS OF GOVERNMENT ACTION AND ORGANISATION.

Certificates of Quality.

89. Are there any products for which a system of Government certificates of quality should be established ?

For what products should such certificates be compulsory, and for what products voluntary ?

90. What should be the organisation for testing each class of products and granting certificates ?

Prevention of Adulteration.

91. Are there any classes of materials for manufacture or of manufactured articles for the adulteration of which penalties should be imposed ?

92, For each such class of goods what organisation do you suggest for purposes of inspection and prosecution of offenders ?

Misdescription.

93. Have you any other suggestions to make in regard to the prevention of misdescription of goods generally ?

Trade Marks and Trade Names.

94. What is your opinion on the present state of Indian law relating to marks and descriptions of proprietary and other articles of trade.

THE PATENT LAWS.

95. Have you any criticisms or suggestions to make regarding the existing law and regulations relating to patents?

REGISTRATION OF PARTNERSHIPS.

96. Is it desirable and practicable in the interests of trade, to introduce a system of registration or disclosure of partnership?

ROADS, RAILWAYS AND WATERWAYS.

97. To what extent does the lack of transport facilities by road, rail or water hinder industrial development in your Province?

Have you any specific recommendations to make?

98. Have you any criticisms to offer regarding railway freights, the classification of goods, the appointment of risk, and the regulation of rates?

What are your proposals?

99. Are there any railway extentions necessary in your province to develop new or to extend existing industries?

100, Similarly, are there any waterways which should be constructed, extended or improved?

SHIPPING FREIGHTS.

101. Are you aware whether the external trade or internal industries of the country are handicapped by any difficulties or disadvantages as regards shipping freights?

Can you suggest any remedies?

HYDRO-ELECTRIC POWER SURVEYS.

102. What has been done in your province towards ascertaining the possibilities of developing hydro-electric power?

Should further investigation be made in this matter?

102*a*. Have you any criticisms to make regarding the effect of the Electricity Act on industrial enterprise?

MINING AND PROSPECTING RULES.

103. What difficulties have been experienced in the working of the Mining and Prospecting Rules (1913)?

104. Are there any minerals that are essential for industries of imperial importance that ought to be developed at public expence? (*e.g.*, Minerals of direct importance for the manufacture of munitions of war, or minerals ordinarily obtained in commerce from one country only).

FOREST DEPARTMENT.

105. From the point of view of industrial enterprise have you any criticisms to make regarding the policy and working of the Forest Department?

What suggestions do you make?

106. What measures are practicable to reduce the cost of assembling raw forest products?

107. To what extent is it practicable to concentrate special kinds of trees in limited areas?

108. What noticeable deficiencies in forest transport are known to you?

What suggestions do you make for their removal?

JAIL COMPETITION.

109. Have you any complaints to make regarding competition by jail industries?

X.—GENERAL.

110. What suggestions have you to make for the development of any industry in which you have been actively concerned or interested?

111. Does your experience suggest to you any new industry for which India seems peculiarly suited on account of its resources in raw materials, labour and market?

112. What supplies of raw materials are known to you of which the use in industry or trade is retarded by preventible causes?

What are the causes, and how should they be removed?

112*a*. Have you any suggestions to make regarding the utilization of waste from raw materials?

112*b*. Have you any suggestions to make regarding Government aid in the improvement of raw material, such as cotton, silk, sugarcane, etc.

112*c*. What industries in the country are dependent on the importation of raw materials and partly manufactured articles from abroad?

113. Do you know of any supplies of raw materials for which there is a good case for investigation with a view to their development?

From

The Secretary,

The Indian Merchant's Chamber & Bureau,

BOMBAY.

To

The Secretary,

The Indian Industrial Commission.

Sir.

In reply to your letter of the 11th December 1916, No. 2234, I am directed by the Committee of this Chamber to send to you their replies to the questions asked by the Indian Industrial Commission. It may be mentioned that our replies apply to the Bombay Presidency only.

QUESTIONS. REPLIES.

1 1

Yes. Individual members of the Chamber have had experience.

In case of enterprizes requiring large capital which are backed by good names and for which full preliminary investigations have been carried on there is very little difficulty in raising the required capital in this

QUESTIONS.	REPLIES.
	Presidency, but small industries which do not attract large capitalists or welknown men to finance them are much hampered on account of want of capital.
	The Committee have to make one suggestion regarding the removal of difficulties in this connection, and it is that Government should assist by providing services of experts in making preliminary investigations. Even in case of existing industries, Government should make available services of their experts to make full preliminary investigations about the possibilities of these subsidiary industries being started successfully. The investing public are likely to support such industries if they have an assurance from Govt. experts about the potentialities of such concerns.
2	2
	Capital is ordinarily drawn for industrial enterprizes from the savings of people in the Presidency town and in large cities in the moffusil.
3	3
	No.
4	4
	The Committee have no knowledge of Government having given financial aid to industrial enterprizes.
5	5
	Any of these methods of giving Government aid to existing or new industries would be suitable according

QUESTIONS. REPLIES.

to local conditions and the requirements of each industry. The Committee would however lay stress on (2) and (7). With regard to the item 7 they are emphatically of opinion that the preferential Government purchase of indigenous products should be a permanent rule and not one to be observed for limited periods, and that orders on the subject should be strictly enforced in practice.

When help is given by Government in any of these forms to joint-stock concerns it must be one of the conditions of the concession that when any such Company is floated, Indian investors should be given opportunity for subscribing to shares and preference be given to their applications at the time of the allotment of their shares.

6 6

In case of none of these methods is Government control desirable. Only supervision in the form of inspection and in some cases Government audit may be necessary. In case of No. 3 there may be also a Government director.

7 7

The Committee have no experience of Government pioneers factories.

8 8

The Committee approve of the establishment of model factories for the purpose of interesting people in

QUESTIONS.	REPLIES.
	starting new industries and would even advocate, if other methods fail, pioneer factories being worked till the industry proves commercially feasible.
	As a general rule, the Committee are in favour of Government starting pioneer factories only when other methods have not been potent in attracting capital to industries. When definite results are achieved, the factory should be closed if the results are unsatisfactory, and handed over to private capitalists if the results are proved to be satisfactory. The Committee are however strongly against the conversion of successful pioneering experiments into permanent Government enterprizes.
9	9
	Small Industries which do not attract large capitalists or well-known men to finance them are much hampered in their progress on account of difficulties in the way of adequate finance.
	Sahukars and private capitalists finance such small industries to some extent but their charges are not as favourable as those of banking concerns and even they are very often not able to render financial assistance to the fullest extent and cannot be definitely relied upon. The result is undercapitalisation and failure.
10	10
	BY THE STARTING OF INDUSTRIAL BANKS
10 a	10a.
	Yes.

QUESTIONS.	REPLIES.
11	11.

To my Committee's knowledge a beginning has been made in assisting the following industries by the formation of Co-operative Societies :—

Oil pressing, tanning, shoe and boot making, cane and rattan work, gur making, handloom weaving.

But in the case of handloom weaving systematic efforts, though on a small scale, have however been made for its promotion. Societies of weavers generally started as credit societies have afterwards adopted the common purchase system. Several of them have also got common sales.

12	12.

Co-operative Societies should be encouraged for the same industries as are mentioned in reply No. 11.

14	14.

NO LIMITATIONS.

15	15.

So far as the Committee are aware no technical or scientific aid has been provided by Government for industrial enterprize.

16	16.

No researches have been conducted in this Presidency.

QUESTIONS.	REPLIES.
17	17. Consultation with Government experts should be free, provided the applications for such consultations have been sent through the Directors of Industries with their recommendations. If, however, the services of these experts are loaned out for a long period, private firms or companies to which they are so lent should pay their salaries.
18	18. Results of researches of these experts while attached to a private business should not as a general rule be published, but if the experts are consulted by any other firms or companies afterwards, they should not be prevented from communicating the results of the previous investigation.
19	19. Existing factories may be turned into demonstration factories with the consent of their owners, but on condition that they should be open to the public during the period they are worked as demonstration factories by Government at Government expense. The glass factory at Sunthrampur, for instance, which is not working at profit at present may well be worked as a demonstration factory in order to popularise it and its products.
21	21. The Committee have no experience of the aid afforded by the scientific and technical departments of the Imperial Institute.

QUESTIONS.	REPLIES.
22	22.
	It would be advantageous to have provision for research for special subjects in the United Kingdom. Local departments of industries and scientific institutions will then be able to send inquiries to the institute in England and in this way there will be a coordination of efforts by correspondence. If there is this coordination it will also avert the danger of any duplication of efforts.
	Those industries for which there are special facilities of research in the United Kingdom should preferably form the special subject for researches there.
23	23.
	The advisory council for research in the United Kingdom can give an assistance to the Indian industries by carrying out experiments in directions suggested by us and notifying their results.
24	24.
	It will not be possible to refer research problems to colleges and similar institutions in India unless there is a college which is properly equipped for such task. The practice may, however, be adopted with advantage when and where possible.
25	25.
	There is need for comprehensive survey of the agricultural, forest, and mineral resources of the country. In this presidency there have been three surveys

QUESTIONS.	REPLIES.
	in the past for handloom weaving, the leather industry and the oil industry, but there are numerous other fields waiting for full research and investigation.
26	26.
	The survey should be a detailed one so that the people can act on it.
27	27.
	The result of such surveys to be useful must be published broadcast.
27-a	27-a
	The Committee have no experience of the value of consulting engineers appointed by Government to aid industrial enterprize by technical advice and by the supply of plants and machinery and estimates, nor can they therefore offer any opinion on the same.
27-b	27-b.
	Such consulting engineers should not be allowed to undertake the purchase of plant and machinery for private firms and individuals.
28	28.
	A commercial museum such as the one located in Calcutta require a great deal of development before it can be made useful to the commercial community commensurate with the expense and trouble bestowed on it.

QUESTIONS.	REPLIES.
29	29.
	There should be commercial museums in all the presidency towns and important commercial centres, and their chief aim should be to bring into touch producers and consumers and to make known foreign made articles so that endeavours may be made to supplant them here with locally made articles.
30	30.
	The Bombay Swadeshi Co-operative Stores is a good instance of commercial emporium for the sale and display of the products of what may be called cottage industries. The Committee do not deem it advisable that Government should start such emporia themselves. This work should be left to public.
30-a	30-a.
	Travelling exhibitions of cottage industries would be of advantage. Railway carriages may well be used for this purpose as in the United States.
31	31.
	Industrial exhibitions have an educational and advertising value. The Committee regret, however, to say that proper advantage has not been taken of them by the public till now. Looking of the new spirit of Industrial revival the Committee hope that exhibitions will become of increasing practical value.

QUESTIONS. REPLIES.

32 32

Government should take measures to hold and to encourage such Exhibitions. But this should be held at long intervals and in different centres,

33 33.

The exhibitions should not aim only at bringing sellers and buyers into contact but should also be popular in character, in order to make them self-supporting and to induce the mass of people to visit them.

34 34.

Trade representatives should have a good knowledge of local trade conditions and have had practical experience of the trade and industry of India, and should be non-officials and preferably Indians.

Their duty should mainly be that of the promotion and development of exports of Indian manufactures by enabling Indian manufacturers to introduce their wares in foreign countries.

35 35.

There may be temporary commissions for special enquiries when occasions require them.

36 36.

There is no necessity for different provinces in India to have trade representatives in other provinces, especially as Directors of Industries will be there to

QUESTIONS. REPLIES.

give information to all who might care to enquire regarding the commercial conditions and possibilities of other provinces. There will be also commercial museums at which it will be possible for people of different provinces to get the required information about other provinces.

37 37.

Government Departments which use imported articles should publish lists of such articles and also exhibit them in commercial museums.

38 38.

The Stores Department of the India Office should be abolished and one should be established at Delhi, under a Director General of Stores who would supply all the requirements of different departments in this country. The main principles to be observed in the purchase of stores should be as follows :—

Indian made articles, whenever procurable, should nvariably be purchased and every possible effort should be made to encourage local manufactures. Where however articles not made in this country are required, they should be purchased preferably from firms in India. If this system is followed most of the important manufacturers will keep their representatives or open their agencies in India and will be able to give quotations without delay.

39 39.

Industrial Banks should be established to provide facilities for marketing indigenous products. Until how-

QUESTIONS. REPLIES.

ever a large number of such banks are started Government should induce Presidency Banks to grant facilities at the existing centres and if necessary open more branches in the moffusil.

40 40.

Government should assist industries with the supply of raw materials on favourable terms.

41 41.

As there are practically no facilities for acquiring land for industrial purposes it has not been practicable to start those industries, for the successful working of which land has to be acquired. The Committee think that land should be acquired for industrial purposes only, when the particular industry cannot be developed profitably without such an acquisition. The basis of compensation in these cases should be more liberal than in other cases of acquisition of land. If the present law does not allow such an acquisition, a bill should be introduced in the Imperial Council legalising acquisition of land for an industrial purpose.

42 42.

No general principle can be laid down regarding concessions of land for industrial development. Each case must be judged own its own merits.

43 43.

See our reply 41.

QUESTIONS. REPLIES.

43-a

43a.

Each case must here also be judged on its own merits.

44-a

44a.

Yes : The lack of primary education does hinder industrial development.

44-b

44b.

Very little has been done in the textile industry to improve the labourers' efficiency and skill.

45

45.

The following things are particularly essential for improving the labourers' efficiency and skill.

Compulsory free education, manual training in schools, sanitary housing, better wages, redemption of debt.

46

46.

Mills and factories take up apprentices, who receive therein fairly good training.

47.

47

Industrial schools are principally of two types, one of the type of the V. J. T. Institute now known as the Central Technological institute, and the other of the class of the Surat, Ahmedabad and Baroda Technical Schools. Students who have obtained diplomas from

QUESTIONS. REPLIES.

the former institute are on the whole found to be satisfactory on the theoretical side. Some of the prejudice against them is due to the fact that their employers expect them to be equipped in every respect, when as a matter of fact they have completed the theoretical portion only and got little practical training, as their real practical training begins in the factories. Some disappointment is felt when they cannot come up to the standard set for them by their employers and consequently a sort of prejudice is created against the whole system. It is sometimes forgotton that the advantage of having studied either in the V. J. T. Institute or in the Surat and Ahmedabad Schools is that the students can assimilate practical training much more easily and can thus be practically trained up in a shorter period of time than others who have not enjoyed the advantage of a theoretical training.

48 48.

Both the systems of training that is the apprentice system and the system of industrial schools are necessary for imparting industrial education to young men desirous of taking up an industrial career. The suggestion made by Principal Dawson of the V. J. T. Institute in his evidence before the Public Works Committee that practical training should begin at the age of 14 appears worthy of consideration.

49 49.

The only fairly successful night schools in this city are those attended by office peons and others who want
22 to know a little English and Arithmetic likely to prove

QUESTIONS. REPLIES.

useful to them in their work. Mill hands, it appears, do not take adequate advantage of these night schools as after 12 hours of physical exertion they are too much exhausted to be attracted to night schools. There is a great need however for extending the number of night schools. A few Half-time schools have been opened for young mill-hands, but owing to the absence of compulsion they are not able to show good results in the way of attendance.

50 50.

Industrial and Technical schools and Commercial Colleges should be under the control of a department of industries assisted by a Council consisting of the following members :—

1. Director of Public Instruction.
2. Chairman of the Board of the V. J. T. Institute.
3. The Principal of the V. J. T. Institute.
4. The Principal of the College of Engineering of Poona.

5, 6, 7, & 8. One representative each from the Bombay Chamber of Commerce, The Indian Merchants' Chamber, The Bombay Millowners' Association and the Ahmedabad Millowners' Association.

51 51.

Graduates of Commerce of the Bombay University offer very good material for being trained as supervisors and skilled managers, if there is a provision made for their being taken up as apprentices by commercial

QUESTIONS. REPLIES.

firms. There is need for establishing an information and employment bureau at the Sydenham College of Commerce, under the charge of the Principal of the College who may be assisted by the advisory board of the College.

In this connection the Committee would like to draw the attention of the Industrial Commission to the system prevailing in Japan, where candidates are selected every year partly by nomination and partly by examination, from all the industrial and commercial schools and sent to different countries to receive commercial and industrial training. The Government may well devise some such scheme under which a certain number of students should annually be sent to foreign countries to obtain training, specially as managers and supervisors of all grades.

52 52.

As beforementioned, Government should institute scholarships for persons who have worked in this country as supervisors and managers to study conditions and methods in other countries. These young men should also not be precluded from competing for technical scholarships given by Government to graduates. All other factors being equal they should be given a preference in awarding such scholarships. As Mr. Mallet, in his annual report of the Students' Department, observes, it is men with practical experience who will be able to get much benefit from a trip to foreign countries. They will also, if sent as Government scholars, be able to get certain special facilities which will be denied to ordinary students.

QUESTIONS.	REPLIES.
53	53.
	Industries which get subtantial concessions from Government should be required to train technical experts.
54	54.
	There is a want of uniformity in the standard of examinations for mechanical engineers held in various Provinces. There should be a sufficient uniformity of standard to enable the interchange of Mechanical Engineers from one province to the other.
55	55.
	The law in this province is quite suitable.
56 to 62c	56 to 62 c.
	The provincial organisation in this province for the development of industries is the Indigenous Industries Committee with a civilian as Secretary. The Committee appointed more than a year back and the Committee of this Chamber think that it is doing good work. The Committee suggest that there should be a Director of Industries who must act as Secretary to the Indigenous Industries Committee which may be called a Board of Industries. The Director of Industries should be a person of a large and broad outlook and may be an official or a businessman. The Board of Industries should not merely be advisory but should have executive powers with budgetted funds. It should be mainly an elected body with a few experts

QUESTIONS. REPLIES.

nominated by Government. It should guide, assist, initiate and control the industrial movement. The present Commerce and Industries Department of the Government of India forms a good nucleus for an Imperial Industrial Department, and the Committee suggest that railways should be separated from this department, and, with irrigation taken from the Public Works Department, should form another Department under a Minister of Railways and irrigation. The Commerce and Industries Department then will have its hands free to look after the development of commerce and industry. The Commercial Intelligence department will be under it while the different Directors of Industries with their Boards of Industries, should not directly be under this department. They must be under the control of their own Provincial Government. General principles guiding the industrial development may be laid down by the Imperial Department, but the Provincial Government should have a free hand in preparing the details to suit their local requirements. The different Provincial Departments of Industries will naturally be in intercommunication with one another, and hence the experience gained at one centre will easily be available at other centres.

There should be a special section of every department of industries organised for the assistance of cottage industries. As to which cottage industries should be developed, see answer No.

63 to 76

63 to 76.

There are no technical and scientific departments capable of giving assistance to industries in this

QUESTIONS. REPLIES.

province. There should be a central research institute for the whole of India and technological institutes in different provinces. The central research institute should be located at a principal commercial and industrial centre and not at any out of the way place. the principal reason being that those engaged in research work should be in constant touch with industrial needs. A further advantage would be that the technical experts actually engaged in the industries may get an opportunity of devoting some of their time in research in the central institute. The subjects for which the research work should chiefly be undertaken are what are known as key-industries, agricultural industries, minerology etc. The staff of the central research institute should be recruited from the best possible men available, preference being given to Indians. This central institute should be under the Imperial Commerce and Industry Department of the Government of India, while the different technological institutes should, as aforementioned, be under their respective provincial departments of industries. The services of experts of the central research institute should not be loaned out to Provincial Governments, but they must undertake regular tours throughout the country, when they may be consulted by those institutes. Local Governments may well engage experts for examining cottage industries and those local industries which may be special features of their provinces. There should be coordination between the different Provincial research institute and the central research institute as also between these and the various technological institutes, in order that there may be no overlapping of subjects considered by each. Each provincial institute should deal with a limited group of related subjects

QUESTIONS. REPLIES.

while the general questions should be taken up by the central institute. There should be no more government control than is described above. There should be an annual session of the science congress and greater coordination between the different institutes.

77 77.

The Government of India grant technical scholarships, the amount of which has only recently been increased. These scholarships may be available for Government technical and scientific experts for whom, the Committee feel, frequent visits to centres of scientific study and research are essential, so that they may not fall back behind the times.

78 78.

There are no satisfactory libraries in this country for technical and scientific works of reference. As was observed recently at the meeting of the Indian Science Congress, such libraries would mean outlay of lacs of rupees, particularly when even one section of science, namely, zoology, would require at least two lacs of rupees for a comprehensive library.

80 & 81 80 and 81.

There is one College in Bombay which is doing useful work in the matter of training Indian students in special branches of trade and commerce and also in all branches of economic and social science. Such a college can well assist industrial development as aforementioned. The Committee however fear that the

QUESTIONS.	REPLIES.
	utility of the college is greatly marred by its being underfinanced, and by there being no suitable building provided for it hitherto.
81-a	81-a.
	Municipalities and local boards can assist in promoting industrial and commercial development by abolishing the octroi duty and giving water rate facilities. They might also be asked to give some concessions to the factories in their infancy, in the form of reductions to the factories in their infancy, in the form of reduction of taxes, and to maintain the roads to the factories in good state so that the traffic to the factories might not be hampered.
82	82.
	Native States should be asked to cooperate with the Government in the matter of collection of statistics. This subject may well be brought forward at the Chiefs' Conference.
84	84.
	The Indian Trade Journal is found useful by the Indian commercial community as it contains interesting commercial and industrial information and summaries of commercial and industrial statistics. It may well be developed still further by having special articles on science and industry and also by publishing therein reports of proceedings of the different provincial departments of industries.

QUESTIONS.	REPLIES.
85	85.

Instead of the Government starting trade journals in different centres, the Committee would suggest that they should subsidise trade journals in different centres published by Chambers of Commerce or some other responsible bodies. The Indian Merchants' Chamber has been publishing a journal for the last eight years. The Journal has been found very useful by Gujrati knowing merchants and is self-supporting.

88	88.

The Committee do not know of much advantage resulting from the issue of special monographs on industrial subjects but they think that the publication of these monographs and also publication of forest and geological departments would be much more useful if they were issued in a popular form and also if their translations in the vernacular of the particular province were published at the same time. The Committee desire to draw the attention of the Commission to the defects in the system of the sale of these publications. The Government announce the names of certain booksellers as having their publications in stock for sale. It is very seldom that these booksellers have any of the publications in stock for sale. Ordering out books from Calcutta either through these booksellers or from department itself means a loss of about a fortnight. The Committee therefore suggest that the Government may very well keep a stock of their important publications with leading booksellers asking them to remit payments when these are sold.

QUESTIONS.	REPLIES.
89	89.
	There is no necessity for a system of Government certificates of quality. In this connection the Committee would like to draw the attention of the Commission to their opinion on the question of the hall-marking of gold and silver plate conveyed to the Collector of Customs in their letter of the 15th January 1915. They stated that the system of hall marking should not be made compulsory in this country as it was likely to cause a great deal of loss even to traders and artisans who were honestly pursuing their trade. Not only that but that it would entail needless inconvenience and expense on the mass of the population whom their social customs and manners and economic circumstances compelled to invest their savings in gold and silver ornaments.
91	91.
	Food and drugs are the two classes of materials for the adulteration of which penalties should be imposed.
96	96.
	The Committee approve of the registration of partnerships with proper safeguard for small tradesmen.
98	98.
	The Committee are strongly of opinion that the present system of railway freights, classification of goods, the apportionment of risk and the regulation of rates is calculated to be greatly detrimental to the

QUESTIONS. REPLIES.

development of Indian trade and industries. The subject however is of such a vast and important character that it should be examined by a special Committee. In this connection they would like to draw the attention of the Commission to their suggestion to the Secretary, Indian Railway Conference Association, that a joint committee of representatives of different railway administrations and the commercial communities, European and Indian, should be appointed to go thoroughly into the question of railway rates affecting the development of indigenous industries.

101 101.

The external trade and internal industries of the country are handicapped by difficulties regarding shipping freights. It is however hopeless to expect any relief from this situation unless Indian shipping companies are started with assistance from the Government and worked in the industrial interests of the country on the same lines as in other civilised countries.

102 102.

Efforts have been made by private companies in this direction and two wellknown concerns have already been started by Messrs. Tata Sons & Company. Further investigations on the subject should be made by Government.

102-a 102-a.

There should be no monopoly enjoyed by lighting companies with regard to the supply of electricity.

QUESTIONS.	REPLIES.
	Industrial companies should be allowed to be started which can supply electricity at a cheaper rate of industry if the lighting companies cannot do so. The Committee know that the electricity act its if does not contemplate any such monopoly but it is practically in existence through executive orders.
104	104
	The following minerals are essential for industries of imperial importance that ought to be developed at public expense.
	Boxite, tungsten, wolfram.
105	105
	The forest department is at present worked with a single eye to make the largest profit from forest produce and the officers of that department are opposed as a rule to the starting of new industries which by reducing the area of forests may reduce their profits.
106	106.
	Better communications are required to reduce the cost of assembling the raw products.
109	109.
	The Committee have no special complaints on this score during the last few years.

QUESTIONS.	REPLIES.
110	110.

The Committee offer the following suggestions for the development of the following industries :—

1. Sugar industry :—

(*a*) Facilities should be made for the aquisition of land for industrial purposes. Sugar industry on a large scale can not be started without this.

(*b*) If sugar cultivation is to spread and the sugar industry to become successful the Abkari system must be changed. The utilization of molasses is necessary if a sugar-factory is to work at a profit. Rum should therefore be allowed to be manufactured from the molasses. Unless this concession is granted a sugar-factory is not likely to prove successful financially.

2. Paper pulp :—Concessions similar to those given in South Canara and Burma should be given wherever bamboos or other raw material for the manufacture of pulp exists.

The following industries are most suitable for development in this country :—

1. Sugar industry.
2. Pottery and porcelain.
3. Paper.
4. Aluminium.

QUESTIONS. REPLIES.

5. Silk.
6. Ship-building.
7. Oil crushing.
8. Tannery.
9. Paint and varnishes.
10. Soaps and candles.
11. Dyes and colors.
12. Starches.
13. Glass.
14. Bone manure.
15. Chloride of magnesium.
16. China clay.
17. Sulphuric Acid.

112 112.

Raw materials used in the aforementioned industries can be utilised for them very well but their use is retarded through the following causes (1) Want of Government assistance, (2) want of experts, etc., which are mentioned in different answers above. The Committee have also pointed out how they can be removed. There should be above all a sincere and earnest desire on the part of Government to develope the industries and a material support from them. What is equally necessary is the confidense of people that Government would come to their help if needed.

112-b 112-b.

The agricultural department is doing good work in the improvement of raw material but the Committee

QUESTIONS. REPLIES.

think that still further effort can be made with good results for the development of cotton, sugar cane and rubber. With regard to the improvement in the quality of cotton, concessions may well be given to induce ryots to grow long staple cotton. Sericulture may also be developed by the agricultural department.

112 c.

112-c.

The following industries are dependent on the importations of raw materials and partly manufactured articles from abroad :—

Glass, sulpuric acid and textile industries.

I beg to remain, etc.

J. K, MEHTA,

Secretary.

It was resolved at a meeting that the following three members should be deputed to appear before the commission also for oral evidence :—

Sir Vithaldas D. Thakersey.

Hon'ble Mr. Chunilal V. Mehta.

Mr. S. E. Warden.

APPENDIX No. 18.

India's Representatives at the Imperial War Conference.

His Honour Sir James Meston and the Honourable Sir S. P. Sinha arrived in Bombay on Friday and with H. H. the Maharajah of Bikaner were entertained by the Indian Merchants' Chamber at a garden party at the Shanti Bhuvan, Peddar Road, on Friday evening. The proceedings were timed to begin at five o'clock, but though many were assembled by that hour the principal guests did not arrive till nearly six and it was a quarter past before the arrival of Sir James Meston, whose train was late. Among those present were :—H. E. the Governor and Lady Willingdon, Her Highness the Begum of Bhopal, His Highness the Maharaja of Alwar, His Highness Jam Saheb Ranjitsinhi, His Highness the Thakore of Morvi, His Highness the Raja of Datia, the Thakore Saheb of Limdi, the Hon. Mr. Carmichael, the Hon. Mr. Curtis, the Hon. Mr. Chaubal, the Hon. Sir Prabhashanker Pattani, Sir Valentine Chirol ; Mr. L. Roberton ; Mr. F. A. M. Vincent ; Colonel Windham, Resident at Jodhpore ; Sir Sassoon David ; Sir Cowasji Jehangir Readymoney ; Mr. J. Nissim ; Mr. Rahimtulla Currimbhoy ; Mr. Pherozeshah B. Petit ; Mr. Narotum Morarji ; Mr C. Jairajbhoy ; the Hon. Mr. Chunilal Mehta ; the Hon. Mr. Phiroze C. Sethna ; the Hon. Mr. Purshotamdas Thakordas ; Mr. Hormusji D. Adenwalla ; Rai Bahadur Babu Kanta Prasad ; Mr. Morarji A. Tana ; Mr. H. J. Antia ; Mr. R. D Cooper ; Mr. Anantrai Puttani ; Mr. M. Madon ; Mr. Rahimtulla M. Chinoy ; Mr. Muhomedbhoy Currimbhoy ; Mr. Suleman Abdul Wahed ; Mr. S. R. Bamanji ; Mr. N. V. Mandlic ; Mr. S. E. Warden ; Dewan Bahadur Runchhodbhai Udairam ; Captain Amir Ahmed of Bhopal, Mr. Ranjitram V. Mehta and many others.

The Hon. Mr. Lalubhoy Samaldas, the Chairman of the Indian Chamber, welcoming the guests, said :—

Your Excellencies, Your Highnesses, ladies and gentlemen,—When it was known that the gentlemen selected by the Government of India to assist His Majesty's Secretary of State for India at the ensuing Imperial War Conference were passing through Bombay to join their duties in England, my Committee decided to show their appreciation of the entree of this country into the councils of the Empire by receiving the representatives of the Government of India at a public gathering in honour of an occasion which your Excellency so felicitously decided as being historic and one of unique interest. When we approached your Excellency with a request to grace this function with your presence you Sir, with your usual courtesy immediately acceded to our request, and we feel a certain pride at the presence of both your Excellencies and your Highnesses amongst us this evening. Before asking Your Excellencies' permission to read our address to the guests of the evening, I desire to refer to Sir Thomas Holland's appointment with the Government of India, to direct to co-ordinate the utilization of India's industrial power. Sir Thomas Holland will naturally require the assistance of trained businessmen in this most important work. May I on behalf of the industrialists and commercial men of this Presidency assure Your Excellency and request you to convey that assurance to the Government of India, that they will always be ready to render all the assistance that they can in utilizing and developing the natural resources of this country and placing them at the disposal of His Majesty's Government.

Sir James Meston, Maharaja Saheb of Bikaner and Sir Satyendra Prasanna, Sinha,—On behalf of the Committee of the Indian

Merchants' Chamber and Bureau, I offer you all a most hearty welcome to our City—Bombay the beautiful—on your coming here to go to England to assist the Secretary of State in his work at the Imperial War Conference.

In you, Sir James Meston, the Government of India have elected a civilian whose activities are not confined to one province. As the capable Financial Secretary of the Government of India, you won, Sir, the confidence and regard of the non-official members like the late lamented Gopal Krishna Gokhale, and you receive their criticisms and suggestions for financial reforms in the friendly spirit in which they were made.

Maharaja Saheb, this is the first occasion on which a representative of the ruling Princes of the Native States of India is asked to participate in the work of an Imperial character. In view of the splendid services rendered by the Princes to the Empire in this world wide war, it is but fitting that their interests should be represented before the Secretary of State by one of the Princes themselves, and who is better fitted to voice the views of these Chiefs than you; Sir, who have been, it is an open secret now the initiator and organiser of the Chiefs' Conference. We have reasons to believe that your Highness has not only concerned yourself with the safeguarding of the interests of the Native States, but that you have kept in touch with the National movement and have interested yourself in questions relating to the material and moral progress of the whole country.

RECONSTRUCTION OF THE EMPIRE.

My Committee believe that if India is to take her proper place in the work of the reconstruction of the Empire, she must present a united front in which the peoples and Princes of India work hand-in-hand. As the present Minister of Education, the Hon. Mr. H. A. L. Fisher, so well puts it "if ever India is removed

from the category of dependency into the category of dominions the constitutional pattern of the new State must be federation in which hereditary monarchies and principalities are included as constituent parts."

It is only some fourteen months back that this City gave you, Sir Satyendra Prasanna Sinha, an ovation which Kings may well envy and which she reserves for those who have rendered valuable services to the Motherland. We have not forgotten the statesman-like Presidential address that you delivered at the Congress pandal nor the able manner in which you guided the deliberations of that National assembly. It is given to a few to win, as you have won, the confidence and respect of the people as well as the Government, and this Sir, is the result as much of your intellectual and administrative capacities as of your robust, but sober patriotism. If the Government of India had acceded to the wishes of the leaders of political thought in this country and given direct representation to the people for one of these two seats, their choice would hardly have fallen on any one else.

As the main object of holding the present Conference is to consider the adoption of measures to marshall the resources of the Empire, in such a manner as to bring this world wide war to a speedy and successful end, the Conference will not perhaps be in a position to consider the lines on which the affairs of the Empire should be conducted after peace is concluded and the constant menace to the liberties of the smaller nations removed. A second Conference will have to be held for this purpose as well as for the purpose of considering questions regarding Trade after war questions with which our body is specially concerned. On that Conference when it is held we want Indian trade and commerce to be directly represented; for unless a man in direct and intimate touch with Indian Trade conditions is present at the Conference he cannot render useful assistance where large questions affecting trade interests of this country are being considered. We hope you will

put our demand for representation on that Conference before the Secretary of State, and also before those who are responsible for inviting such a Conference.

While you are in England, you will have ample opportunities of informally discussing with the various members of the Conference the measures to be adopted to knit closer the bonds of the Empire with ties of mutual affection and respect. We feel confident that you will impress upon the minds of all members of the Conference that this country is prepared to take her place as a partner in the Empire and accept all responsibilities attaching thereto. She will, however, strongly resent being treated as a dependency of Britain and the Dominions. Your work in this direction will, we trust, be made easier on account of the change in the attitude of some of the representatives of the Dominions towards this country, owing to their and our men having fought side by side.

TRADE AFTER THE WAR.

The comradeship thus begun and cemented with blood which they have shed on the same plains, will, we hope, grow stronger and mature into an everlasting friendship. The question of trade after the war and the necessity of developing the resources of the various parts of the Empire in such a manner as to make itself self-contained will have to be seriously considered at that Conference. When that time comes, we trust that each component part of the Empire will be given the fullest freedom to develope its Trade and industries in the best interests of itself and the Empire. We on our part want our Government—I mean in India—to be given complete fiscal autonomy so that it may adopt measures which it thinks best in the interests of the country. I have merely to refer to the Excise Duties to show how the interests of the industries in this country are sacrificed at the dictates of Lancashire. In the reconstructed Empire when the Government in India will not be bound to carry out the orders of Manchester the imposition of such a duty will be impossible. We also desire to be

in a position to guide the policy of the Government in India in these and allied matters and for the purpose it is necessary that the Indian Commercial interests should be thoroughly and directly represented in the councils of the Indian Government.

Before concluding let me, on behalf of my Committee, wish you all a very happy voyage and a safe return and full opportunities while in England to serve the best interests of this country.

Your Excellency we, cannot sufficiently express our sense of gratefulness to you for your having spared the time and taken the trouble to honour us with your presence. Ever since your Excellencies came amongst us both of you have so thoroughly identified with the cause of this Presidency and its peoples that we feel no compunction and encroach upon your time to any extent, for we are sure that both your Excellencies will not mind sacrificing your health and comforts to show your sympathy to any work of public utility.

Sir James Meston, in a short speech, expressed pleasure at being present as one of the chosen representatives of India at the Imperial War Conference, and said there could be no prouder thing in the life of anyone who had tried to serve India—especially one who had served for thirty years—than that of being elected as a representative of India. He assured them that he would serve the interests of India at the Conference to the best of his ability.

AIM OF IMPERIAL CONFERENCE.

His Highness the Maharajah of Bikaner said :—

Mr. Chairman and members of the Indian Merchants' Chamber and Bureau.—Permit me to thank you warmly for the kind welcome you have given us to-day to your beautiful city—the second city of our Empire, and to add that I much appreciate the compliment you have paid us by entertaining us this afternoon by your expressing your views to us.

It is only right that my friend the Hon. Mr. Lalubhai Samaldas should have chosen my distinguished friend and colleague—Sir James Meston—as our spokesman, because his expert knowledge of Indian finance peculiarly fits him to understand and represent your problems and your standpoint.

* * *

It was only at the banquet the night before last that I had occasion to make a long speech in connection with the honour done me, and I have, no doubt you will not expect me to make another long speech to-day or to reiterate what I said on that occasion.

Your Chairman has appropriately remarked that the Imperial War Conference is being convened mainly to find ways and means for a speedy and victorious termination of the war, and I am echoing the sentiments not only of my colleagues and myself, but, I feel sure, also those of yourselves and indeed of every right-thinking Indian, when I say that our thoughts and all our efforts primarily be concentrated on the one supreme task of doing everything in our power to help to win, as speedily as possible, that decisive victory for our gracious Sovereign and our noble and gallant Allies, which we all are so devoutly praying for. And, when that glorious aim has been achieved—which will be, and, I would add, must be, achieved—I am convinced that the interests of Indian commerce and trade, which as largely contributes to the welfare and prosperity of a country, will not be forgotten in the reconstruction of the Empire that is bound to take place.

Whether the foundations for such reconstruction are laid at this or another Imperial Conference remains to be seen, but I would like to assure you, without fear of contradiction, that the welfare of India and her moral and material progress on proper and sound lines has remained, and must ever remain to me, in common with the entire body of the Ruling Princes of India, a matter of

deep solicitude, which as sincere friends and well-wishers of the British Government and as true sons of the soil, we have very near and dear to our hearts.

I again thank you sincerely for the generous words which you have addressed to me, and for the kind reception you have given us and I will no longer delay the pleasure of our hearing my old friend, Sir Satyendra Prasanna Sinha, whom we are all proud to hail as an eminently distinguished and widely respected son of our beloved Mother Country. (Applause.)

Sir S. P. Sinha said :—Hon. Mr. Lalubhai and gentlemen of the Indian Chamber of Commerce,—I thank you most heartily for the very cordial reception which you have extended to me this evening. I did not know that I would have an occasion to make a speech because it was only when I started from Calcutta that I received your invitation. But even if I had known that there would be an occasion to make a speech, I would not have had anything to say after His Honour Sir James Meston and His Highness the Maharajah of Bikaner because they have already said what I had intended to say. I ask you to remember the main and only purpose for which we go to England is to convey to His Majesty that the lead which the Ruling Princes of India have given in regard to rendering all assistance to the Empire in the hour of trial, the people of India are only too anxious to follow. Not only that but I am certain that every one of us in India is ready to sacrifice everything that he has and even give his dearest possession, life itself, to win the war in the cause of the Empire. (Applause). I am sure you do not expect me to make any further declaration. My political views are wellknown to you all. I have made no secret of them whether they were popular or not. I assure you that it will be my best endeavour to place forcibly what I consider to be the Indian point of view in regard to questions that may come up for discussion. (Applause.)

The company then repaired to the refreshment tables, where a pleasant half an hour was spent before the guests dispersed.

APPENDIX 19.

Speculation in Kutcha Americans.

Telegraphic Address
"Cottonade"
Telephone No. 25.

Bombay Cotton
Trade Association
(Limited.)

Bombay, 6th February 1917.

The Secretary,
Indian Merchants' Chamber and Bureau.

Dear Sir,

I am directed to forward herewith a copy of a letter that my Directors have addressed to the Commissioner of Police and to request you kindly to consider the desirability of supporting the representation.

Yours faithfully,
R. E. GREGOR PEARSE,
Secretary.

COTTON TRADE ASSOCIATION, LIMITED.

Bombay, 13th February 1917.

The Commissioner of Police,
BOMBAY.

Sir,

Under instructions from the Board of Directors of the Association, I have the honour to call your attention to a recent prosecu-

tion in the Court of the Chief Presidency Magistrate of a man charged with criminal breach of trust. The accused in tendering a plea of guilty stated he had lost the money in speculations in American cotton.

2. My Directors feel that the facilities offered in the bazaar to speculate in what is known as "Kutcha Americans" constitute a strong temptation to clerks and others in positions of trust to embezzle the moneys of their employers for purposes of such speculation. I am therefore to request that you will kindly inform my Directors whether this is a matter in which you can interfere and if so whether you will take steps as soon as possible to cope with the situation. It may be mentioned that this is a pure gamble on differences and is in the opinion of my Directors similar to the former rain gamble.

I have the honour to be, etc.

(Sd.) R. E. GREGOR PEARSE.

Secretary.

The Indian Merchants' Chamber & Bureau.

Bombay, 27th February 1917.

To

The Secretary,

The Bombay Cotton Trade Association, Ltd.

BOMBAY.

Dear Sir,

I am directed to acknowledge the receipt of your letter of the 6th instant, No. 150-20-C. of 1917, and to inform you that my

Committee agree with your Directors that speculation on what is known as "Kutcha Americans" is a pure gambling in differences and that therefore steps should be taken to put a stop to this evil.

Yours faithfully,

J. K. MEHTA,

Secretary.

Bombay, 2nd March 1917.

The Secretary,

The Indian Merchants' Chamber and Bureau,

BOMBAY.

Dear Sir,

I am directed to acknowledge with thanks the receipt of your letter dated 27th ultimo, and to inform you that my Directors are pleased to hear that your Committee agree to the suggestion put forward by my Directors in regard to speculation in Kutcha Americans. I am to express a hope that your Committee will also take the matter up with the authorities concerned.

Yours faithfully,

R. E. GREGOR PEARSE,

Secretary.

APPENDIX 20.

PREFERENCE FOR EMPIRE MADE SUGAR.

Indian Sugar Producers' Association.

Cawnpore, 17th February 1917.

The Secretary,

Indian Merchants' Chamber and Bureau,

BOMBAY.

Dear Sir,

The Chairman of the British Empire Producers' Organization, London, has telegraphed to the Indian Sugar Producers' Association as follows :—

> "Organization shortly sending to Government Memorial urging Empire self supporting policy embodying preference for consideration of Imperial Conference. Cable supporting policy. Obtain endorsement all Indian Associations possible authorising us attach their names."

The Indian Sugar Producers' Association has cabled intimating its support to the Memorial and I am directed to address you with a view to obtain the support of your Chamber to the Memorial and your Committee's sanction to attach the name of your Chamber thereto.

I enclose a copy of the 3rd and 4th monthly reports of the British Empire Producers' Organization which may enable your Committee to judge of the purpose, activities and growth of the Empire Producers' Organization should they not already be acquainted with the movement.

I shall be glad to have an early reply and confidentially trust that your Committee will accede to the request of the Chairman of the Empire Producers' Organization.

Yours faithfully,

I. G. RYAN,

Secretary.

The Indian Merchants' Chamber & Bureau.

Bombay, 6th March 1917.

To

The Secretary,

The Indian, Sugar Producers' Association,

CAWNPORE.

Dear Sir,

I am directed to acknowledge the receipt of your letter of 17th February 1917 and to inform you that in the absence of fuller information, my Committee regret they can not support the proposed memorial.

Yours faithfully,

J. K. MEHTA,

Secretary.

APPENDIX 21.

Prescribed Form of Profit and Loss Account.

Bombay, 1st March 1917.

The Secretary,

Indian Merchants' Chamber and Bureau,

BOMBAY.

Dear Sir,

I shall be obliged by your kindly placing the accompanying Profit and Loss Account before your Committee and informing me their opinion whether they consider it important to have a prescribed Form of Profit and Loss Account also just as the Form of Balance Sheet is prescribed in the Indian Companies Act. You will find from the enclosed that Agents prepare the Profit and Loss Account as they like without giving any particulars to the shareholders about office expenses, Agents commission and any other charges incurred.

I therefore invite your opinion on the matter before making a representation to Government to amend the Act.

Awaiting the favour of your early reply.

Yours faithfully,

C. I. PAREKH.

The Indian Merchants' Chamber & Bureau.

Bombay, 6th March 1917.

To

Chhotalal Ishverdas Parekh, Esq.,

BOMBAY.

Dear Sir,

Your letter of the 1st instant, was considered by the Committee of this Chamber at their meeting held on the 3rd instant,

In reply I am directed to inform you that the Committee regret that they do not feel inclined to support your suggestions and to move the Government to amend the Companies' Act on lines suggested by you.

Yours faithfully,
J K. MEHTA,
Secretary.

APPENDIX 22.

Priority Committee.

Revenue Department.

Bombay Castle, 22nd February 1917.

To

The Secretary,
Indian Merchants' Chamber and Bureau,
BOMBAY.

Sir,

In continuation of my letter No, 1685 dated 13th February 1917 I am directed to forward for the information of your Chamber a copy of a Press Communique No. 2190 dated 23rd February 1917 regarding the appointment of Priority Committee at Bombay and Karachi for the purpose of advising Government on applications for certificate of priority for the supply of stores and plant ordered from the United Kingdom.

I have the honour to be, etc.
A. F. L. BRAYNE,
Under Secretary to Government.

7th March 1917.

To

A. F. L. BRAYNE, Esquire, I. C. S.,

Under Secretary to Government,

BOMBAY.

Sir,

I beg to acknowledge receipt of your letter of the 23rd February 1917 No. 2191 of 1917, enclosing a copy of a press communique regarding the appointment of Priority Committee at Bombay and Karachi for the purpose of advising the Government on applications of certificate of priority for the supply of stores and plant ordered from the United Kingdom. My Committee regret to note that they were not given the privilege of nominating a representative on this Committee. They do not think it necessary to bring to the attention of Government the representative character of this Chamber and the different privileges and responsibilities conferred upon it in the past. These Priority Committees will be concerned with the import trade in its several branches leading merchants in which are members of this Chamber. The Committee feel that it must

have been merely through an oversight that they were not consulted in the matter and hope that they will be asked to nominate a representative on the Bombay Priority Committee.

I beg to remain, etc.

J. K. MEHTA,

Secretary.

Revenue Department.

Bombay Castle, 5th April 1917.

To

The Secretary,

The Indian Merchants' Chamber and Bureau,

BOMBAY.

Sir,

I am directed to acknowledge the receipt of your letter dated March 1917 requesting that your Chamber may be authorised to nominate a representative on the Bombay Priority Committee.

2. In reply I am directed to state that in order to secure celerity of working it has been determined to keep the Committee as small in numbers as possible. It is not possible to have all the important bodies, who might in other circumstances claim recognition, represented upon it. The Mill-owners' Association, Ahmedabad, and the Presidency Trades Association have, for example, in addition to your Chamber, no representative. The Millowners' Association Bombay has been given a representative because so much of the material required is for machinery and other mill stores.

In these circumstances the Governor in Council regrets that it is not possible to meet your wishes by increasing the size of the Committee.

I have the honour to be, etc.

A. F. L. BRAYNE,

Under Secretary to Government.

24th April, 1917.

To,

A. F. L. BRAYNE Esq., I. C. S.,

Under Secretary to the Government of Bombay.

BOMBAY.

Sir,

My Committee regret to note from your letter of the 5th inst No. 4297 of 1917 that Government do not consider it possible to meet their wishes by increasing the size of the Priority Committee.

2. My Committee desire to place the following facts before Government. It is not fair to this Chamber, to class it with the associations mentioned in your letter under reply, as owing to its representative character it stands on quite a different footing from the others. Just as the Bombay Chamber of Commerce represents the view of the European commercial community as a whole and not of any particular section thereof, this Chamber represents the Indian Commercial community as a whole. It is just because of this representative character that this Chamber enjoys many privileges which are denied to other commercial associations. The presence of its representative on the Priority Committee would assure the different Indian commercial interests that their interests would be well looked after without in any way making the Committee an unwieldy one.

It is for these reasons, that my Committee request Government to reconsider their decision.

I beg to remain, etc.

J. K. MEHTA,

Secretary.

Bombay Castle 31st May 1917.

To

The Secretary,

Indian Merchants' Chamber and Bureau,

BOMBAY.

Sir,

With reference to the correspondenceending with your letter dated 24th April 1917, I am directed to state that after further consideration of the matter, Government are pleased to comply with the request made by your Chamber for the appointment of a representative nominated by it on the Priority Committee, Bombay. I am accordingly to request you to ask the Chamber to communicate to Government the name of the representative whom it wishes to nominate on the Committee.

I have the honour to be, etc.

A. F. L. BRAYNE,

Under Secretary to Government.

Bombay, 7th June, 1917.

To,

A. F. L. BRAYNE, Esq., I. C. S.,

Under Secretary to the Government of Bombay,

BOMBAY.

Sir,

With reference to your letter of 31st May 1917, No. 6671 of 1917, I am directed by the Committee of this Chamber to request you to convey to Government their deep thanks for their granting the request made by them for the appointment of a representative nominated by them on the Priority Committee Bombay.

I am further asked to inform you that they wish to nominate the Hon ble Mr. Manmohandas Ramji as their representative on the Committee.

I beg to remain, etc.

J. K. MEHTA,

Secretary.

Bombay Castle, 21st June 1917.

To

The Secretary,

Indian Merchants' Chamber and Bureau,

BOMBAY.

Sir,

With reference to the correspondence ending with your letter dated 7th June 1917, I am directed to forward for the information

of your Chamber a copy of a Press Communique No. 7396 dated 16th June 1917 regarding the appointment of the Hon. Mr. Manmohandas Ramji as an additional member of the Priority Committee, Bombay.

I have the honour to be, etc.

A. F. L. BRAYNE,

Under Secretary to Government.

PRESS COMMUNIQUE.

The Governor in Council is pleased to appoint the Hon. Mr. Manmohandas Ramji as an additional member of the Priority Committee, Bombay, constituted under Press Communique No. 2190 dated 23rd February 1917 for the purpose of advising Government on applications for certificates of priority for the supply of stores and plant ordered from the United Kingdom.

APPENDIX 23.

THE NEW TAXATION.

Bombay, 15th March 1917.

Copy of a telegram sent by this Chamber to the Secretary of State.

To

The Secretary of State for India.

LONDON.

My Committee welcome increased import duties cotton goods without increasing excise duty. They note with regret attempts

of interested parties blinded by selfish motives to interfere with Finance Minister's proposals. Any attempt to alter this increase will be viewed with deep disappointment and dissatisfaction throughout whole country.

LALUBHAI SAMALDAS,
Chairman,
Indian Merchants' Chamber.

Bombay 15th March 1917.

Copy of the telegram sent by this Chamber to Hon. Sir William Meyer, Finance Minister.

"My Committee cordially approve of the principles of taxation outlined in your speech."

LALLUBHAI SAMALDAS,
Chairman,
Indian Merchants' Chamber and Bureau.

APPENDIX 24.

Changes in Statistics.

DEPARTMENT OF STATISTICS, INDIA.
Calcutta, 11th July 1917.

To
The Secretary,
Indian Merchant's Chamber and Bureau,
BOMBAY.

Sir,

I have the honour to say that the Government of India have decided temporarily to discontinue certain particulars hitherto

given in the Monthly Accounts as in the case of the Monthly Accounts of the United Kingdom. I am to enclose for your information copy of a letter to Collectors of Customs and also a Note which will appear in the Indian Trade Journal.

I have the honour to be, etc.,

G. FINDLAY SHIRRAS.

Director of Statistics.

MONTHLY ACCOUNTS OF TRADE AND NAVIGATION.

The Government of India have decided on the temporary exclusion from the Monthly Accounts of Sea-borne Trade and Navigation of British India, beginning with the issue for June, of all particulars of the countries from or to which Imports and Exports are consigned, together with all particulars of the movement of shipping.

Such particulars as have hitherto been published in the Monthly Accounts will be available for the use of those who require them for business purposes, on condition that the information so furnished will be used for such purposes only, that it will not be embodied in any circular sent out of India.

These particulars will be furnished to Chambers of Commerce who may apply for them for the use of their members, and will be obtainable from Custom Houses, and from the Department of Statistics, India, No. 1, Council House Street, Calcutta.

DEPARTMENT OF STATISTICS. INDIA.

Calcutta, 11th July, 1917.

To

All Collectors of Customs.

Sir,

I am directed to inform you that the Government of India have decided to follow the practice of the Board of Trade in regard to the temporary exclusion from the Monthly Accounts of the Sea-borne Trade and Navigation beginning with the month of June all particulars of the countries from or to which Imports and Exports of merchandise and treasure are consigned, together with particulars of the movement of shipping.

2. I am to request that you will be good enough to discontinue the publication of the daily lists of Exports and Imports, the manifest of vessels, the monthly commercial guides, and similar publications which show the countries of origin of destination. Such practiculars of the countries of origin in the case of imports and of countries of destination in the case of exports as

have hitherto been published in the Monthly Accounts should, with the exception of food-grains referred to below, continue to be available on application to Chambers of Commerce for the use of those who may require such particulars for business purposes, on condition that the information so furnished will be used for these purposes only, that it will not be published, and that it will not be embodied in any circular sent out of India. The destination of food-grains for the British and Allied Governments should not be made known as the Home Government request that this information should not be published during the period of the war. The compilation, I am to add, in the Statistical Branch of Custom Houses should be continued as at present, but the results should be preserved in manuscript.

3. I am to add that the Monthly returns of the Sea-borne Trade and Navigation should continue to be furnished to this Department in the same detail as hitherto.

I have the honour to be, etc.

(Sd.) G. FINDLAY SHIRRAS,

Director of Statistics.

No. 591—595.

DEPARTMENT OF STATISTICS, INDIA.

Calcutta, 15th February 1917.

To

The Collector of Customs, Calcutta,
The Collector of Customs, Bombay,
The Chief Collector of Customs in Sind, Karachi,
The Collector of Customs, Madras,
The Chief Collector of Customs, Burma. Rangoon.

Sir,

I have the honour to invite a reference to paragraph 6 of the Resolution of the Government of India in the Department of

Commerce and Industry, No. 93-100-17, dated the 8th January, 1912, and to state that the question of additions to, or alterations in the list of articles separately enumerated in the sea-borne trade returns is now under consideration in this Department. It has been suggested that "Cotton flannel and flannelettes" be distinguished in future in the foreign sea-borne trade return of imports, that the sub-head "Tubes and fittings-wrought" be altered to "Tubes, pipe, and fittings-wrought," and that the weight in tons of Jute-Gunny bags exported abroad be entered in the return of exports of India Merchandise in addition to the number of bags which is at present shown. It is considered that the showing of number only without weights is misleading as regards the export of gunny bags.

I have to request that you will be so good as to furnish this Department with any proposals or modifications you may wish to make in the lists at present in use, and also favour me with your opinion as to the changes proposed above.

I have the honour to be, etc.

G. FINDLAY SHIRRAS,

Director of Statistics.

No. 603.

Copy forwarded to the Secretary, Indian Merchants' Chamber and Bureau, Bombay, with the request that suggestions, if any, may be forwarded to this Department by the 15th March, 1917.

G. FINDLAY SHIRRAS,

Director of Statistics.

The Indian Merchants Chamber & Bureau.

To,

G. FINDLAY SHIRRAS Esquire, M.A.I.E.S.,

Director of Statistics, Government of India.

CALCUTTA.

Sir,

I am directed, in reply to your letter of 15th February 1917, No. 591-595, to express hereby the opinion of the Committee of this Chamber as follows :—

The Committee have no objection to the changes proposed in your letter in the Sea-Borne Trade Returns. In addition they beg to suggest the following modifications in the Returns:—

I. IMPORTS.

a. Oils. Item No. 58, sub Item No. 4 :—
Add Olive Oil.

b. Drugs and Medicines. Item No. 28 :—
Add Opium and Morphia and their preparations.

c, Chemicals and chemical preparations. Item No. 17:—
Add Photographic materials, magnesium compounds and China clay.

d. Textiles. Item No. 93, Sub-item No. D.

1. Handkerchiefs and shawls should be under separate heads.

2. In the item of jaconets, madapollams, mulls, cambrics, and muslins, mulls should be separated from other descriptions.

3. In the sub-head "Coloured, printed or dyed" 'Printed' should be separated from 'Coloured or dyed.'

e. Paper making materials. Item No. 65.
The Committee would here propose the following arrangement :—

1. Wood Pulp.

2. Unbleached Pulp.

3. Bleached Pulp.

4. Soda Pulp.

5. Sulphur Pulp.

6. Straw Pulp.

f. Toys and requisites for games and sports Item No. 96. Sub-item No. 2.

Requisites for atheletics and sports should be shown separately.

g. Typewriters. Item No. 97.
Add Multigraphs and Duplicators.

II. EXPORTS.

a. Oils item No. 48, sub item No. 4 :—
Add Dhupa oil and Sandal oil.

b. Fruit and Vegetables. Item No. 27.
Add Sultanas.

c. Grains, Pulse and Flower. Item No. 33 :—
Add Lentils.

I beg to remain, etc.

J. K. MEHTA.

Secretary.

APPENDIX 25.

Revision of the Indian Income Tax Act.

To

The Secretary,

Indian Merchants' Chamber & Bureau,

BOMBAY.

Income Tax Office,

Bombay, 5th April 1917.

Sir,

I have the honour to inform you that the Government of India propose to take up in the ensuing season the complete revision of the Indian Income tax Act and consequential revision of the Super Tax Act.

2. It is desirable that the views of your Chamber relating to this subject should be submitted for consideration at the time any changes are made.

3. I have the honour therefore to request a favour of an expression of such view as may be considered desirable to bring to the notice of Government.

4. As a very early report has been called for by Government please favour me with your reply before the 23rd instant.

I have the honour to be, etc.

L. W. HARTLEY,

Collector of Income Tax, Bombay.

No. 580 of 1914-1918.

To

The Secretary,

Indian Merchants' Chamber & Bureau,

BOMBAY.

Income Tax Office,

Bombay, 10th April 1917.

Sir,

In continuation of my letter No. 417 dated the 5th Instant, I have the honour to inform you that the main points towards which the revision of the Income Tax Act and the Super Tax Act will be directed are :—

(1) That income under Part IV should be treated as income under Part I (Salary) viz., that the rates of asssessment should be governed by the total amount of income from all sources-profession, trade, landed property, interest from debentures, securities and

shares etc., and not as at present confined to the income under Part IV which includes income from profession, trade, landed property and interest other than that which accrues from investments in securities, debentures and shares.

(2) That it should be made compulsory for an employee to make a declaration of his total income from all sources when called upon to do so by the Collector of Income Tax or other duly appointed officer.

(3) That Collectors of Income Tax should be empowered to ascertain what persons are in receipt of income under Part II (Dividends on shares of Joint Stock Companies) and III (Interest on Debentures issued by Joint Stock Companies and Local Bodies) and that it should be compulsory for the principal officer of a Joint Stock Company to forward to the Collector of Income Tax concerned information regarding the amount of dividend paid in any year.

(4) That Collectors of Income Tax should be empowered to compel assessees to give a true declaration of income. That Collectors of Income Tax should be empowered to inflict penalties or fines for untrue declarations subject to appeal to higher authorities.

I have the honour to be, etc.

L. W. HARTLEY,

Collector of Income Tax.

Bombay,

24th April, 1917.

To,

L. W. HARTLEY, Esq., I. C. S.,

Collector of Income Tax,

BOMBAY.

Sir,

I am directed by the Committee of this Chamber to send their views regarding the revision of the Income Tax Act referred to in your letters of the 5th and 10th inst., Nos. 417 and 580 respectively.

2. My Committee have no objection to the suggestions made in your letter of the 10th instant, but think that it should not be made compulsory for the principal officer of a Joint Stock Company to forward to the Collector of Income Tax information regarding the amount of dividend paid in any year. They think that the better course would be for the Income Tax Collector to ask for such information which the principal officer of a Joint Stock Company should be bound to supply.

3. My Committee beg further to suggest that the percentage of depreciation allowed on machinery should be made uniform in all the Provinces as it is not right that there should be such diversities in different parts of the country for the same class of machinery.

4. My Committee find that a great deal of hardships is experienced by people, specially by the poorer and ignorant class, in getting refund of income tax deducted by Government from the interest on Government securities. In view of the fact that the Income Tax Department is now invested with powers for

calling for statements of income from any individuals or firms, my Committee think that this procedure should be discontinued and no deduction should be made from interest on Government securities. If however Government are not prepared to discontinue such an old procedure, it should atleast be provided that only five pies in a Rupee should be deducted and not one anna in a Rupee, as the higher percentage has to be paid only by people of income of over Rs. 25,000. My Committee hope they are not mistaken in supposing that a proportionately larger number of investors are poor ones. This change in the present procedure, will my Committee are confident, afford a great relief to the poorer class of people who find it very difficult to go to the Income Tax office and claim refund, and also will tend to popularise Government paper.

5. Another suggestion which my Committee venture to make is with regard to bad debts. The Income Tax Office makes no deduction for debts which are not still adjudicated. Thus supposing a firm had made a profit of Rs. three lacs in one year. In the same year, it has suffered a loss of Rs. two lacs and fifty thousand through the failure of one of its constituents. This sum is not allowed to be deducted on the ground that the adjudication of that claim is not over in that year. The firm therefore pays income tax on Rs. three lacs. Supposing that in the next year the matters relating to the insolvent firm being settled it is found that creditors are not likely to get more than say one anna in the Rupee. The net loss will thus be about Rs. two lacs and thirty five thousand. If the assessee has made a small profit or a loss in that year, there is no provision by which relief can be given to the firm on account of this loss which rightly speaking ought to have been deducted from the assessed profits for the preceeding year. The net result is that the firm is compelled to pay income tax on Rs. two lacs and fifty thousand for which it was not at all liable. The committee are of opinion that some change should be introduced in the proce-

dure by which the assessee firm can, in such cases, claim refund for income tax it had paid on an amount which proved to be a total loss to it.

6. My Committee have approved of the principle of supertax but have expressed a fear that Joint Stock Companies will be induced to distribute their profits in bigger dividends. They understand that the British Supertax is not charged on Joint Stock Companies in Great Britain. My Committee do not press for such an exemption but they must say that the 10% deduction granted recently is not sufficient and that atleast 25% deduction is required if the industrial progress of the country is not to be retarded.

7. In the mofussil, revenue officers are also income tax officers. In order to prevent possible abuses from this combination of offices my Committee suggest that an appeal should be allowed to some authority in the Presidency towns where the parties can appear in person or by attorney to represent their case. At present an appeal is allowed to His Excellency the Governor in Council, but as parties can not appear in person or by their constituted attorney, my Committee think that the setting up of an intermediate appeal authority in Presidency towns where the parties can appear in person or by constituted attorney, will give a much needed relief to mofussil people.

8. My Committee feel that the tendency of income tax legislation like other legislations is to be brought more and more into line with the English Income Tax Act and welcome it. It would be a move in the right direction and a great relief to the poor classes of people if one of the main characteristics of the English Income Tax Act is incorporated in the Indian Act, the charging of income tax on sums over and above minimum limit and not on the whole income when it exceeds the minimum as is the case in this country. Thus Rs. 1,000 is the minimum limit here. What my Committee suggest is that if a man's income exceeds this minimum limit

he should be made liable only for the payment of income tax for this excess over the minimum limit and not for the whole of his income. The present procedure inflicts too great a burden on people of small incomes.

I beg to remain, etc.

J. K. MEHTA,

Secretary.

APPENDIX No. 26.

Imports of old Newspapers.

13th April 1917.

To

The Secretary,

Commerce & Industry Department,

Government of India,

SIMLA.

Sir,

I beg to confirm hereby the telegram sent by the Committee of this Chamber to you to-day. My Committee have received complaints to the effect that some of the merchants, who had entered into large purchase contracts before the Government prohibition was announced, will have now to incur a serious loss if these contracts have to be cancelled as the goods will be sold off on their account in auction and the difference realised from them. This difference is reported to be very great now on account of the prices of old newspapers having gone down in Japan due to the Government prohibition.

My Committee beg to request therefore that Government will be pleased to allow licenses in case of those purchase contracts which were entered into before the date of Government resolution which will save the merchants from much unnecessary loss.

"Referring to Government notification No. 3961 C. W. dated 24th March 1917. My Committee beg to draw your attention to contracts of some merchants for purchase of large number of bales long before the publication of the resolution. These merchants will be put to serious loss if they have to cancel their existing commitments before the notification because if importation not allowed the Japanese dealer will resell the goods on such merchants' account thus involving them in a great loss. The present prices in Japan have greatly fallen due to Government prohibition and so the difference merchants will have to pay if their contracts are cancelled will be enormous. Committee therefore request, Government will be pleased to issue licences in cases where purchase contracts entered into before the date of the resolution. Mehta, Secretary, Indian Merchants' Chamber."

I beg to remain, etc.

J. K. MEHTA,

Secretary.

Simla, the 25th May 1917.

To

The Secretary of the Indian Merchants Chamber,

BOMBAY.

Sir,

I am directed to reply to your telegram of the 13th April in which you represent the difficult position in which certain mer-

chants have been placed owing to the prohibition on the import of old newspapers.

2. I am to say that the Government of India have given very careful consideration to your representation, but regret that they are unable to make the general concession which you propose.

I have the honour to be etc.

G. S. HARDY,

Under Secretary to the Government of India.

APPENDIX No. 27.

Hall marking of Gold and Silver.

To

The Secretary,

The Indian Merchants' Chamber & Bureau,

BOMBAY.

Bombay, Custom House.

22nd March 1917.

Sir,

I have the honour to refer to your letter dated the 15th January 1915 on the subject of a proposal to introduce the system of hall-marking of gold and silver plate in India, and to communicate to you, under instructions from Government, the following decision of the Government of India in the matter.

2. It will be recognised that in any case no proposals involving large expenditure on special measures of protection for this particular trade could be entertained at the present time, even if they commanded considerable support. But the Government of India, after careful examination of the views expressed by Local Government and Administrations and of the opinions forwarded by them, find that it is almost unanimously admitted that a compulsory system of hall-marking could not possibly be established while a large majority of the local authorities and the commercial public are opposed to the introduction even of a voluntary system. In particular the Government of India observe that some of the trade associations which originally supported the proposals of the Bombay Trades Association have now withdrawn their support and that the opinion of the Indian traders is generally opposed to any Government action in this direction.

3. The inquiry has shown that the objections raised in 1880 and 1893 have not lost their force and it has, on the other hand, elicited few substantial reasons in favour of the proposal. The Government of India have given full weight to the main arguments which have been urged, namely that honest traders are unfairly affected by the competition of fraudulent wares and should be protected from this: that it is similarly desired to guard the public from fraud, and that hall-marking would do much to raise the standard and improve the value of the metal industries. It must, however, be admitted that the volume of trade in precious metals is small in comparison with that of many other trades, which are of far greater importance to the public, and that it justifies no such preferential treatment for the protection either of the producers or of the public as is contemplated in these proposals. The replies received clearly show that the internal trade in gold and silver plate is governed, and that the consumers are largely protected, by custom and that traders are themselves in a position to protect their own interests without recourse to official hall-marking. The

conclusion which emerges is indeed that the establishment of a hall-marking system should be left to unofficial initiative and that the more considerable firms of goldsmiths or silversmiths are themselves in a position to protect their wares by their own marks and to establish them in popular confidence by the superior quality of their materials. The Government of India therefore are unable to accept the proposals made by the Bombay Presidency Trades Association and they have decided not to proceed further in the matter.

I have the honour to be etc.,

R. F. L. WHITTY,

Collector of Customs.

APPENDIX No. 28.

Financial Stringency.

The Hon'ble the Finance Member.

Government of India,

SIMLA.

Owing to restricted sales of Council Bills trade between India and Europe as well as between India and the Far East is considerably hampered. My Committee request Government to relieve stringency of money market in trade centres and to prevent agriculturists from suffering by depreciation in prices of their produce.

Lallubhai Samaldas, Chairman, Indian Merchants' Chamber.

APPENDIX No. 29.

CITY CIVIL COURT SCHEME.

No. 65-B. of 1906.

JUDICIAL DEPARTMENT.

Bombay Castle, 5th October, 1916.

To

The Chairman of the

Indian Merchants' Chamber and Bureau.

Sir,

I am directed to forward the accompanying copy of a memorandum of Government in this Department No. 6505, dated the 5th October 1916, and to request that Government may be favoured with the opinion of the Indian Merchants' Chamber and Bureau.

As to whether there should be a City Court in addition to the High and the Small Cause Court, or whether the jurisdiction of the Small Cause Court, should be raised to a higher limit of value and extended to more numerous classes of suits. Government would also be glad to receive any suggestions which the Chamber and Bureau may desire to make in any other directions for the avoidance of high costs in comparatively small suits and proceedings.

I have the honour to be etc.,

A. F. KINDERSLY,

Under Secretary to Government.

Court of Small Causes Bombay.

Question whether it is not desirable to provide additional facilities for the disposal of suits not at present within the jurisdiction of the —.

GOVERNMENT OF BOMBAY.

JUDICIAL DEPARTMENT.

Memorandum No, 6505.

Bombay Castle, 5th October 1916.

At the meeting of the Legislative Council of the Governor of Bombay held on the 13th March 1916, the Honourable Mr. V. J. Patel moved a Resolution recommending the creation of a Civil Court for the Town and Island of Bombay with jurisdiction to receive, try and dispose of all suits and other proceedings of a civil nature not exceeding Rs. 5,000 in value *except* suits or proceedings which are recognizable—

(*a*) by the High Court as a Court of Admiralty or Vice-Admiralty or as a Colonial Court of Admiralty, or as a Court having testamentary, intestate, or matrimonial jurisdiction or

(*b*) by the Court for the relief of insolvent debtors, or

(*c*) by the Small Causes Court.

But an amendment having been proposed by the Honourable Mr. M B. Chaubal recommending Government to consider the question whether it is not desirable to provide additional facilities for the disposal of suits not at present within the jurisdiction of the Presidency Small Cause Court, the Resolution was withdrawn by the Honourable Mover, and the amendment was carried in the Council, on the understanding that a full and complete enquiry would be made into the matter by consulting various public bodies in the City of Bombay. A copy of the proceedings in Council is appended. There is also appended to this memorandum a note which contains certain suggestions which have beer received by Government in connection with this matter, to the effect that the proper course is not to create a City Court but to increase the jurisdiction of the Small Causes Court. It should be clearly understood that Government are not in any way committed to the opinions or suggestions put forward in the note.

2. The attention of the Pleaders' Association of Western India, the Bombay Incorporated Law Society, the Bombay Chamber of Commerce, the Bombay Millowners' Association, the Bombay Native Piece-Goods Merchants' Association, the Bombay Presidency Association, the Bombay Presidency Trades' Association, the Bombay Shroffs' Association, the Grain Merchants' Association, the Indian Merchants' Chamber and Bureau, the Bombay Municipal Corporation, the Bombay Improvement Trust, the Bombay Port Trust, the Anjuman-i-Islam, Bombay, the Anjuman-e-Zia-ul-Islam, the Social Service League, the Maratha Aikya-itchu Sabha, the Saraswat Brahman Samaj, the Jain Association of India and the Pathare Prabhu Social Samaj should be invited to the proceedings* of the Bombay Legislative Council in the matter held on the 13th March 1916, a report of which is appended, and to the suggestions in the appended note.

* Printed at pages 117—134 of the *Bombay Government Gazette* of the 15th April 1916, Part V.

They should be requested to favour Government with their opinions as to whether there should be a City Court in addition to the High Court and the Small Cause Court, or whether the jurisdiction of the Small Cause Court should be raised to a higher limit of value and extended to more numerous classes of suits. Government would also be glad to receive any suggestions which they may desire to make in any other directions for the avoidance of high costs in comparatively small suits and proceedings.

A. F. KINDERSLEY,
Under Secretary to Government.

Appendix II.

Note.

1. In a great many cases litigation in the High Court is so costly as to be out of proportion to the value of the subject-matter of the litigation. A litigant in the High Court has not only often to incur heavy costs in order to secure a verdict but if successful to pay to his Solicitor what are known as attorney and client costs, *i.e.*, costs which the Taxing Master in the High Court considers were not reasonably necessary for the litigation but which the client has incurred. These costs are not inconsiderable. Various expedients have been adopted to reduce the costs incurred in High Court litigation, notably the procedure under what are known as originating summonses, but litigants still complain of the costs incurred in such litigation. It is practically impossible to put a check on the various means which a defendant can adopt to delay and obstruct a plaintiff's just claim and cause him as much expense as possible, and it has been suggested that to avoid the possibility of heavy costs, a Court should be created to try cases summarily, and the professional costs in this Court should be a lump sum on a sliding scale according to the value of

the subject-matter of the suit. A Solicitor might have the right of audience in this new City Court but unless the costs were allowed by way of a lump sum such Solicitor would still be entitled to bring in a bill of costs—and that too on the more liberal scale recently allowed by the High Court for work done outside the High Court (*vide Government Gazette*, Miscellaneous Notifications, dated 12th December 1912, at page 2221).

2. Moreover, the creation of a new City Civil Court would be a luxury and the large majority of the cases for which one might create such a Court can be more economically and expeditiously disposed of by increasing the jurisdiction of the Presidency Small Cause Court, the machinery of which would be suitable for their disposal, if that Court were given, like the County Courts in England, the power of appointing receivers and issuing injunctions.

3. If the pecuniary jurisdiction of the Presidency Small Cause Court be increased in cases within its jurisdiction above the limit of Rs. 2,000 (the present limits of its pecuniary jurisdiction), no change of machinery would be required for the trial of such cases and if it has been found that the Presidency Small Cause Court effectively disposes of the cases within its pecuniary jurisdiction, there seems no reason why the pecuniary jurisdiction should not be increased. As a matter of fact most merchants in Bombay desire that the pecuniary jurisdiction of the Presidency Small Cause Courts should be increased ; and it is frequently found that a plaintiff whose claim exceeds Rs. 2,000 abandons the excess above Rs. 2,000 in order to have his case tried more cheaply and expeditiously in the Presidency Small Cause Court. In all those cases therefore, in which the Presidency Small Cause Court has at present jurisdiction the argument for the creation of a City Civil Court, can be met by the extension of the pecuniary jurisdiction of the Small Cause Court which step has the further advantage of effecting an economy in the cost of a new building and in the cost

of litigation and also ensures greater despatch in the disposal of cases, such cases being tried summarily in the Presidency Small Cause Court.

4. There seems to be no reason why the Presidency Small Cause Court should not also have jurisdiction in partnership and administration suits, of which the Small Cause Court is at present under section 19 of Act XV of 1882 precluded from taking cognizance. With suitable machinery the Court can dispose of such suits provided it is given, as are the corresponding Courts in England (the County Courts)—powers of appointing receivers and issuing injunctions. Moreover, if the jurisdiction of the Presidency Small Cause Court is added to and increased in the way proposed, what is left for disposal by the proposed City Civil Court upto a pecuniary limit of Rs. 5,000 will not justify the establishment of a new court, and the suggested extension of the jurisdiction of the Presidency Small Cause Court would meet the great majority of the cases in which the public have a grievance.

5. From the point of view of expense, the erection of a suitable building for a new City Civil Court would entail an expenditure of several lakhs of rupees, and would necessitate the appointment of new judges and of an office establishment. It is true that Government should not regard a Court primarily as a profit-earning institution, but other things being equal, a profit-earning Court is better than one which does not bring in a profit. The Presidency Small Cause Court is a profit-earning Court, and there are no figures to show whether the proposed new City Court would entail a loss or a profit. If the jurisdiction of the Presidency Small Cause Court were increased, it can scarcely be considered that the fees for such suits as were left over for the new City Civil Court to try would pay for its upkeep.

6. The question of the cost of litigation in the new City Court, if one is established, requires consideration. Supposing the attorney gets the right of audience in this Court, the question is what the cost would be. If it is sought to make the new court an economical court, the Solicitor's remuneration must either be for the work done or on a sliding scale according to the value of the subject-matter of the suit. If the former, then the Solicitor will still have his bill of costs without the brief charges ; if the latter, then the remuneration will be most inappropriate, as, the proposed new City Court not being a summary Court and being, like the Madras City Civil Court, governed in its procedure and practice by the Civil Procedure Code and the rules of practice framed by the High Court for all Courts subject to its appellate jurisdiction, a solicitor or other legal adviser there will receive the same sum irrespective of the importance and number of interlocutory proceedings in the suit. As a matter of fact, the remuneration of a lawyer by a fixed sum has been found not to be satisfactory in such cases.

7. No analogy can be drawn from the County Courts in England to justify the establishment of a new City Court, for the County Courts in England correspond to the Presidency Small Cause Court here, and there is no intermediate Court in England between the County Court and the High Court of Justice. It is not proposed that the Presidency Small Cause Court here should be given the various jurisdictions of the County Courts in England, because their jurisdiction is so extensive that it is impossible to say straight away whether a similar jurisdiction conferred on the Presidency Small Cause Court here would be a success even if it were given the requisite machinery. The fact, however, remains that the principle adopted in England has been to increase the jurisdiction of the County Courts whose acts contain many provisions similar to the Presidency Small Cause Court Act, 1882. The various Acts regulating the jurisdiction of the County Courts and ending with the County Courts Act of 1903 give those Courts

general jurisdiction under three great heads, *viz.*; (1) over matters, where the claim does not exceed £100 in amount, which would in the High Court form the subject of an action in the King's Bench Division; (2) over land, the rental of which does not exceed £100 per annum; and (3) over matters, where the value of the subject-matter dealt with does not exceed £500 which would, in the High Court, form the subject of an action in the Chancery Division. The County Courts also possess jurisdiction under special statutes, and some of them have jurisdiction in Admiralty, and some in Bankruptcy and in the winding up of companies. Not even the proposed new Civil Court would possess all these jurisdictions.

8. Two objections have been raised to increasing the jurisdiction of the Presidency Small Cause Court, *viz.*, (*a*) that questions of importance will arise in bigger cases which it is inexpedient that the Presidency Small Cause Court should decide and which the High Court alone is competent to decide, and (*b*) that the Presidency Small Cause Court has not the machinery necessary for the trial of certain cases. It is however submitted as to (*a*) that the same kind of questions arise for the Judge's decision in a suit for Rs. 2,000 (the present pecuniary limit of the jurisdiction of the Presidency Small Cause Court) as in one for Rs. 5,000 and as a matter of fact the same questions arise repeatedly in mercantile cases in the Small Cause Court as are seen to arise in the High Court. It is only when the Presidency Small Cause Court is instructed with a new *branch* of jurisdiction that this objection can be urged with any show of reason. The Presidency Small Cause Court Judges are quite competent to try the additional suits which should be included within the Court's cognizance. In any event, an appeal can always be provided for to the High Court. The costs of such an appeal are never heavy. As to (*b*) the objection clearly cannot stand when only the pecuniary limit of the jurisdiction in cases which the Court can already try is increased. If by its machinery it can try a case for a simple money claim for Rs. 500, it can by the same machinery try one for Rs. 5,000. The

objection must, therefore, be confined to the new suits which it is suggested the Presidency Small Cause Court should try. As above pointed out, all these suits are at present triable by the County Courts in England, which also try cases summarily. In the following cases the Presidency Small Cause Court either already has the necessary machinery to try them or could be given it without difficulty and without impairing the efficiency of the Court. The following suggestions for the increase of the Presidency Small Cause Court's jurisdiction are made :—

(1) The pecuniary jurisdiction of the Court in suits at present triable by it should be increased from Rs. 2,000 to Rs. 3,000. As a matter of fact the pecuniary jurisdiction in such suits was in 1882 increased from Rs. 1,000 to Rs. 2,000. As pointed out above, there is nothing substantial in the objections as to complexity or importance of the subject-matter of such suits or as to the Court's machinery for trying them which would prevent the Presidency Small Cause Court from effectively disposing of such suits. As already stated, a plaintiff often abandons the excess of his claim over Rs. 2,000 to bring his suit in the Presidency Small Cause Court.

(2) *Partnership-suits.*—The jurisdiction of the Small Cause Court might very well be extended to cover partnership suits up to a certain pecuniary limit. Such suits are at present excluded by section 19, clause (*o*), of the Presidency Small Cause Court Act. Under Act IX of 1850 the Small Cause Court used to have jurisdiction in cases of a demand up to a certain pecuniary limit for the whole or part of the unliquidated balance of a partnership account. There seems no reason why that jurisdiction should not be

restored to it. It seems unreasonable that in every case of a partnership, however, small, the plaintiff should have to file his suit in the High Court. This restriction practically puts a prohibition on all suits for a dissolution or for an account of a partnership where the possibility exists that the costs that will be incurred in the High Court will exceed the amount that will be found due to the plaintiff on the taking of the account. In order to try and obtain some relief in these small cases, a plaintiff very often tries to set up an adjustment of the account or an advance such as was set up in the case in I. L, R., 18 Mad., 134. In England under 51 and 52 Vict., Chap. 43., sec. 67, the County Court has all the powers of the High Court in *inter alia*, actions for the dissolution or winding up of any partnership in which the whole property of the partnership does not exceed, etc., £500. The ordinary pecuniary jurisdiction of the County Court is now £100. With a view to avoiding heavy costs of partnership actions in the High Court the Presidency Small Cause Court should have jurisdiction in partnership suits similar to that conferred on the County Courts, but limited to cases where the value of the partnership property does not exceed Rs. 6,000. The Small Cause Court already entertains suits on agency accounts presenting various intricate questions of law for decision, and it has got sufficient machinery to have such accounts investigated. There seems to be no reason why partnership accounts, which are in no way different in their nature, should be excluded from the Presidency Small Cause Court.

(3.) *Administration actions.*—The Presidency Small Cause Court might with suitable machinery be given equitable jurisdiction in suits against, or for an account or administration of, an estate of which the amount or value does not exceed Rs. 6,000. The same arguments apply in this case as are applicable to the case of a partnership. The County Court has the jurisdiction in England where the estate does not exceed £500 under section 67 of the County Court Acts, 1888, 1903. The result of the Presidency Small Cause Court at present not having jurisdiction in administration actions is that in the case of small estate no creditor is found anxious to file an administration action on behalf of himself and all other creditors in the High Court, and there is generally a rush by individual creditors to the Small Cause Court to prove their claims against the estate and obtain judgment, thereby sometimes considerably hampering the executors who are trying to wind up the estate. Sir N. G. Chandavarkar J. drew particular attention to this practice in the decision in I. L. R., 29 Bom. 96. Moreover, in cases of small legacies the legatee can sue the executor in the Small Cause Court only where the executor has assented to the legacy and the plaintiff avers that there are sufficient assets in the executor's hands [Okhoy Coomar *vs.* Koylash Chunder, 1890, 17 Cal., 387 ; Doe *vs.* Guy (3 East, 120) ; Williams *vs.* (3223) and Williams on Executors]. Otherwise his suit has to be in the High Court for administration and an account, and it is not worth such legatee's while to file such a suit if the estate be small especially as although he may get his costs out of the estate as

between attorney and client, he will certainly have some costs taxed against himself under such an order for the payment of costs. It would appear, therefore, that with proper machinery the Presidency Small Cause Court could safely be entrusted with this jurisdiction in small estates.

(4) *Injunction and Receiver.*—If the above matters are brought within the jurisdiction of the Presidency Small Cause Court it will have to be invested with powers for the appointment of a receiver and for granting an injunction as ancillary to the relief claimed in the suit and with the power to enforce obedience by committals, and also to some extent with the power to pass a declaratory decree. In England the County Courts have these powers.

9. Lastly, it is stated that the transfer of cases from the Small Cause Courts to the High Court under section 39 of the Presidency Small Cause Courts Act works a great hardship on suitors in small cases. Under that amendment section a defendant is entitled as of right to a transfer in any case exceeding Rs. 1,000 unless the Judge thinks the application is made solely for the purpose of delay. The amount of security for costs ordered to be deposited under that section is, it is believed, only Rs. 400, a sum apparently wholly insufficient to meet the expenses of a long cause in the High Court. Quite apart from this small amount to be deposited, the right to a transfer puts a weapon of oppression in the hand of one party, and often enables a wealthy defendant to checkmate the plaintiff there and then, and cases have occurred in which a poor plaintiff suing for a sum over Rs. 1,000 in the Small Cause Court has gone to the defendant on an order for transfer to the High Court being obtained and begged the defendant to give him anything he chooses rather than involve him in the costs of High Court litigation. It must be remembered that not only is money

necessary before a suit in the High Court can be pursued, as Solicitors insist on advances against out-of-pocket costs, but also a successful party has always to pay some attorney and client costs. It is therefore suggested that the legislature should provide that a party should not have the right to apply for transfer of a suit from the Presidency Small Cause Court to the High Court. Section 39 of the Presidency Small Cause Court Act should be repealed.

Bombay, 1st February 1917.

To

A. F. KINDERSLEY, Esq., I. C. S.,

Under Secretary to Government, Judicial Department.

BOMBAY.

Sir,

My Committee will be greatly obliged if you will be kind enough to send to them the following information which they require in connection with your letter of the 5th October 1916, No. 6505 of 1916. It may be mentioned that they first requested the prothonotary to the High Court of Bombay to supply this information. He replied however that this information was only available to Government and so the Committee have directed me to write to you with a hope that the required information will be supplied so as to facilitate their consideration of the question discussed in your letter.

1. Quniquinneal return of the total number of cases between Rs. 2,000 and Rs. 5,000.

2. How many of these cases were short cause.

3. ,, ,, ,, them were summary cases.

4. ,, ,, ,, ,, ,, long cases.

5. ,, ,, ,, the summary suits were transferred to long causes.

6. ,, ,, ,, ,, ,, ,, were decreed immediately.

7. ,, ,, Small Causes Court suits have been transferred to the High Court during the last 5 years.

8. ,, ,, suits between Rs. 1,000 and Rs. 2,000 have been filed.

I beg to remain, etc.

J. K. MEHTA,

Secretary.

CITY CIVIL COURT.

Bombay Castle, 29th March 1917

To

The Chairman of the

Indian Merchants'

Chamber and Bureau,

BOMBAY.

Sir,

With reference to your letter dated the 1st February 1917, I am directed to forward herewith the statement of suits during

the last five years required by the Chamber and Bureau in connection with the consideration of the question as to whether there should be a city court in addition to the High Court and the Small Cause Court, etc.

I have the honour to be, etc.

(Sd.) *For* Under Secretary to Government.

STATEMENT.

2,126 Suits were between, above Rs. 2,000 and Rs. 5,000 out of which

1,676 were short causes,

279 were summary suits, and

171 were long causes.

2,126

38 Summary suits were transferred to long causes,

295 Summary suits were decreed in a short time,

71 Suits were transferred from the Small Causes Court, Bombay,

and

568 Suits were filed of the value of Rs. 2,000 and under.

Bombay, 11th June 1917.

The Indian Merchant' Chamber & Bureau,

BOMBAY.

To

A. F. KINDERSLEY, Esq., I. C. S.,

BOMBAY.

Sir,

With reference to your letter of the 5th October 1916, No. 6505-A of 1916, I am directed by the Committee of this Chamber to say that they have long since been feeling that the very heavy cost of litigation in the High Court was a great evil which it was the duty of Government to remedy as soon as possible. The commercial community which so often has to resort to litigation felt the burden of this cost much more heavily than any other community. Their representative on the Bombay Legislative Council, the Hon'ble Mr. Manmohandas Ramji, had elicited much useful information on this matter by interpellation in the Councils and they welcomed the resolution of the Hon'ble Mr. V. J. Patel to reduce high costs of litigation, based on these and other facts.

2, It is now almost universally accepted that the cost of litigation, is abnormal and that some way out of the difficulty must be found. Two alternatives are now before the Government to remedy this evil, *viz.*, (1) the establishment of a City Civil Court on the lines of a similar court in Madras and (2) the extension of the powers of the Small Causes Court. My Committee after a long

and careful consideration of these alternatives find that they cannot come to an unanimous conclusion but the majority feel that the first alternative is the better of the two and they beg to give their opinion below in favour of the same.

3. Even those who are in favour of the other alternative, *viz.*, the extension of the powers of the Small Causes Court admit that several important modifications will have to be made in the constitution of the same before it can be found suitable for satisfactorily discharging the function proposed to be assigned to it. If all such modification and amendments are made there will be practically no difference left between the Small Causes Court and the proposed City Court. Not only this but the introduction of these changes will make even the present work of that Court of a complex and unwieldy nature unless a distinction is provided in the procedure for the trial of suits upto a particular limit say Rs. 2,000 and suits above that limit.

4. Instead of setting about to introduce revolutionary changes in the constitution of a Court which, for suits of a small amount, has well served its purpose, my Committee are of opinion that a separate City Civil Court should be established for the trial and disposal of suits of a civil nature not exceeding Rs. 5,000 in value except suits of proceedings which are cognisable.

(*a*) By the High Court as a Court of admiralty or *vice*-admiralty or as a colonial court of admiralty or as a Court having testamentary, intestate or matrimonial jurisdiction or

(*b*) By the Court for the relief of insolvent debtors, or,

(*c*) By the Small Causes Court.

5. It is contended that the new Court will entail a great deal of expenditure. The extension of the powers of the Small Causes

Court will entail no less expenditure for it can hardly be supposed that the present number of Judges in this Court and clerical staff will be able to cope with the amount of work which will come up as a result of this extension. The number of Judges as well as the staff to cope with the extra work will have to be increased. As the City Court will require one Judge and a clerical staff, it is difficult to see how this alternative will require more expenditure than the other. The New Court can well be located in the Small Causes Court buildings which will be ample enough and so will not require a new building.

6. My Committee hope that if such a Court is established the presiding Judge or Judges of the same will be selected from practicing lawyers of the Bombay High Court and that Barristers, Advocates, Attorneys, and Vakils of the High Court will have audience before the same, their fees to be regulated in accordance with rules framed in that behalf by the High Court.

7. The minority of the Committee do not however approve of this first alternative as in their opinion the expenditure in connection with the establishment of a new Court will be immense. They are of opinion that the object in view, *viz.*, cheapening of the litigation will be achieved by extending the jurisdiction of the Small Causes Court from Rs, 2,000 to Rs. 5,000 and the appointment of two more judges if necessary, these to be Barristers or Advocates of not less than ten years' Indian experience. Record should be kept of proceedings of suits of Rs. 2,000 and above so as to make it possible for appeals for suits of this nature being heard by the High Court on their Appellate side. The scale of court fees in case of suits under Rs. 300/- should be continued as at present but the scale of fees of suits over that sum should be fixed at ½ anna per rupee.

It is also suggested that the jurisdiction of the Court should be so extended as to embrace suits of the following nature : —

(*a*) Suits for the recovery of immoveable property where the subject matter does not exceed in value Rs. 5,000.

(*b*) Suits for the partition of immoveable property not exceeding in value Rupees five thousand.

(*c*) Suits for the foreclosure or redemption of a Mortgage of immoveable property of the above extent in value.

(*d*) Suits for the determination of any other right or interest in immoveable property of the same extent as above.

(*e*) Suits for dissolution of partnership or for an account of partnership transactions where the subject matter is to the extent of Rs. 5,000.

(*f*) Suits for an account of property and its due administration under the decree of the Court where the subject matter is to the above extent.

8. The whole of the Committee are however unanimously in thinking that as presumably the main object of the communication of the Government is to reduce the cost of litigation, rules allowing only Barristers and Advocates on the original side of the High Court should be amended. They desire to draw the attention of the Government to the proposal made in this connection by the City Civil Court special Committee of the Calcutta Municipal Corporation and beg to suggest that the High Court rules may be amended on the following lines.

(*a*) Vakils and Solicitors should be allowed under special conditions to act and plead, in the same way as Barristers on the original side, thus leaving to the litigant the opportunity of selecting a cheap method of obtaining justice.

(*b*) The intermediary of the Attorney between the litigant and the Barrister or Vakil should be made optional.

(*c*) There should be a regular engagement in writing as to the amount of fee to be paid by a client to his lawyer for service in a particular case, and the existing scale of fees should be abolished. There is a very strong feeling amongst the public that the system under which a Barrister is enabled to take fees and yet not appear in a case is an unjust one,

I beg to remain, etc.,

J. K. MEHTA,

Secretary.

APPENDIX No. 30.

Holi Holiday.

To

The Chairman,

Indian Merchants' Chamber & Bureau,

BOMBAY.

Sir,

I am directed to forward a copy of a letter from the Secretary Chamber of Commerce, Bombay No. 425/82 dated 29th March 1917, and to request that Government may be favoured with the

views of your Chamber on the proposal to fix the second day of Holi as a public holiday instead of the first day.

I have the honour to be, etc.

A. F. L. BRAYNE,

Under Secretary to Government,

Bombay, 29th March 1917.

To

The Secretary to Government,

Financial Department,

BOMBAY.

Sir,

The attention of my Committee has been drawn to the fact that labour at the docks was unobtainable for loading ships on 9th instant which was the second day of the Holi festival, whereas on the 8th instant, the day that was gazetted as a public holiday by Government and also declared a Charter Party Holiday by the Committee of this Chamber, labour was freely forthcoming.

2. I am therefore to request that, in future, Government will be pleased to consider the desirability of fixing the second day of Holi as a public holiday under the Negotiable Instruments Act, as was formerly the case.

I have the honour to be, etc.

(Sd). R. E. GREGOR PEARSE,

Secretary.

5th July 1917.

To

The Under Secretary to the Government of Bombay,

Financial Department,

BOMBAY.

Sir,

With reference to your letter of the 12th June 1917 No. 1861 of 1917 I am directed to inform you that my Committee approve of the proposal to fix the second day of Holi as a Public Holiday instead of the first day.

I beg to remain, etc.

J. K. MEHTA,

Secretary.

Bombay Castle, 8th August 1917.

To

The Chairman,

Indian Merchants' Chamber and Bureau.

Sir,

With reference to the correspondence ending with Mr. J. K. Mehta's letter dated 5th July 1917, I am directed to inform you that Government have decided that in future the second day of the Holi festival should be notified as a public holiday under the Negotiable Instruments Act instead of the first day at present.

I have the honour to be, etc.

A. F. L. BRAYNE,

Under Secretary to Government.

APPENDIX No. 31.

Death of Dr. Dadabhai Naoroji.

Bombay, 12th July 1917.

To

The Hon'ble Sir D. E. Wacha,
BOMBAY.

Dear Sir,

The Committee of this Chamber learnt with profound grief and sorrow of the death of our revered patriot Dr. Dadabhai Navroji whose long life devoted to the cause of his motherland has been a veritable beacon light to all his countrymen. He had been able to see the realisation of some of his dreams but the Committee think that if he had lived a few years longer he could have realised the great political ideal of his life also. The country has lost in him the greatest of her sons and the Committee request you to be kind enough to convey their sense of deep sorrow and their sincere condolences to his family.

Yours faithfully,
J. K. MEHTA,
Secretary.

"THE SANDS"
Versova Via Andheri,
12th July 1917.

On behalf of the members of the late Mr. Dadabhai Naoroji's family and myself, I beg to thank you for the kind message of sympathy in bereavement.

Yours truly,
H. M. DADINA,

The Secretary,
Indian Merchants' Chamber & Bureau,
BOMBAY.

APPENDIX No. 32.

Indo-Russian Trade.

GOVERNMENT OF INDIA.

DEPARTMENT OF COMMERCE AND INDUSTRY.

Simla the 9th July 1917.

To

The Secretary,

The Indian Merchants' Chamber and Bureau,

BOMBAY.

Sir,

I am directed to forward, for the information of your Chamber and of the firms interested in the Russian Trade, 20 copies each of the report on Indo-Russian trade by Messrs. D. T. Chadwick, I.C.S., and G. W. Black, and of the supplement thereto (Appendices III, IV and A), and to request that the latter may be circulated only for the *confidential* information of the members of your Chamber.

2. I am also to request that the Government of India may be furnished at an early date with the views of your Chamber on the specific suggestions made in Appendix IV wirh a view to the development of direct trade relations between India and Russia.

3. The Government of India would also be glad to know whether your Chamber considers that there is any objection to copies of the supplement to the Report being placed in the hands of the Russo-British Chamber of Commerce.

4. Finally I am to request that your reply to this communication may be forwarded through the Government of Bombay.

I have the honour to be, etc,

G. S. HARDY,

Under Secretary to the Government of India.

18th September 1917.

To

G. S. HARDY, Esquire I. C. S.,

Under Secretary to the Government of India,

SIMLA.

Sir,

Under directions of the Committee of this Chamber I beg to send hereby their reply to your letter of the 9th July 1917 No. 7800.

2. The Committee feel that the percentage of Indo-Russian Trade to the total trade of this Country is at present not very large though they realise that it is likely to increase steadily as many of the exports from this Country to Germany will have the natural tendency to be diverted to Allied Countries and also as Russia will, it is naturally expected, want to be freed from the Commercial domination exercised over it by Germany for the last so many years. The fact, brought out so vividly in the report, that Russia was already taking before the war several of Indian products through intermediaries in Germany or Austria is also to be taken into consideration. If both Russian and Indian sentiment will decide not to give away profits to intermediaries and to establish a direct trade connection, there is no reason why the present trade between India and Russia should not reach the decent proportions.

3. The Committee consider that for the purposes of furthering the Indo-Russian trade the following facilities are chiefly essential.

(1) BANKING FACILITIES :—It appears from the report that one of the chief aids to Germany in her hold on the Russian Trade was the financial institutions admittedly under German control and also through Germany's having, if not controlling interests, at least very considerable influence with some of the Russian Commercia Banks. British Banks should have branches in Russia and afford financial facilities to British or Indian merchants interested in the Russian Trade.

(2) SHIPPING FACILITIES :—German trade succeeded in obtaining great active help from shipping companies, enabling them to divert a large amount of Indian Trade to themselves and then supplying Russia with these very Indian products. If there is a direct British Steamship line between East Indian ports and a Russian port like Odessa, much can be achieved in the way of furthering Indo-Russian trade. His Majesty's Consul General at Odessa lays great stress on this factor.

(3) IMPROVED CONSULAR SERVICE :—The report of Messrs. Chadwick and Black gives one a clear idea of the powerful official aid to merchants through the German Consulates. The British Consular Service should be placed on a similar high level and there must be special Indian sections on these Consulates if there is to be real progress in Indo-Russian trade. In this connection the Committee desire to note with satisfaction that the British Government have realised the importance of improving the Consular Service and have also recently appointed a trade Commissioner for India and London with an Indian Assistant.

If the above facilities are made available Indo-Russian trade will be developed to a great extent.

4. With regard to the suggestions put forward in the report to form a special corporation with a branch in Russia the Committee are doubtful whether Bombay owing to its trade with Russia being very little will care for such a Corporation. The Provinces which are at present chiefly interested in trade with Russia are Madras, Bengal and Burma, and it is for them to say whether they will join such a corporation. The Committee are of opinion that it would be better for the present if trade were allowed to develop by private initiative through facilities like those described above. Situated as they are at present Indian merchants are not likely to go and settle in Russia or open branches there. All they can do just now will be to trade with Russia through reliable English Firms, which may be established in Russia.

5. The Committee do not have any objection to copies of the supplement to the report being placed in the hands of the Russo-British Chamber of Commerce.

I beg to remain, etc.

J. K. MEHTA,
Secretary.

APPENDIX No. 23.

Meeting of Goods Classification Committee.

To

The Secretary,
Indian Merchants' Chamber and Bureau,
BOMBAY.

Agra, 14th July, 1917.

Sir,

I am directed to inform you that the next meeting of the Goods Classification Committee will be held at Poona on the 23rd

August next and to request that I may be informed not later than the 8th proximo, of any subjects which your Chamber may wish considered by the Committee.

I have the honour to be. etc.

(Sd.) Secretary.

The Indian Merchants' Chamber & Bureau.

Bombay, 7th August 1917.

To

The Secretary.

The Indian Railway Conference Association,

AGRA.

Sir,

In reply to your letter of the 14th July 1917 I am directed to send the following suggestions and subjects for consideration at the next meeting of the Goods Classification Committee to be held at Poona on the 23rd instant.

2. The present rates for cotton seed have been based, with a view to encourage export of produce. The rates for instance to a port such as Bombay or Karachi, from an interior point are comparatively cheaper than the rates between two interior points. The rates on raw produce again are cheaper than those on manufactured articles. The following table gives comparative rates for cotton seed from various points on the B. B. & C. I. Railway to Bombay and to Navsari as also the respective distances.

From.	To Bombay.		To Navsari.	
	Miles.	Rate.	Miles.	Rate.
Ankleshwar	198	0 2 1	49	0 2 2
Broach	204	0 1 9	55	0 2 3
Chamargam	211	0 2 11	62	0 2 6
Palej	219	0 2 11	70	0 2 8
Miagam	229	0 3 4	80	0 2 8
Baroda	248	0 3 6	99	0 3 3
Dabhoi	249	0 3 10	90	0 3 5
Bodeli	274	0 3 6	115	0 4 0

It is indeed inequitable that it should cost half an anna more to carry a maund of cotton seed from Broach to Navsari, distance only 55 miles, than to carry the same quantity of it from Broach to Bombay a distance of about 204 miles.

3. The following is another table :—

TABLE SHOWING RATE & DISTANCE TO NAVSARI & BHAVNAGAR DOCKS FROM PLACES ON THE T. V. RAILWAY.

From.	To Navsari.								
	Miles.	Rates.							
		T. V. Rly.			B. B. & C. I. Railway.			Total.		
Bardoli. ...	33	0	0	8½	0	0	9½	0	1	6
Nandurbar ...	113	0	2	4	0	0	8	0	3	0
Dondaicha ...	135	0	2	9	0	0	8	0	3	5
Sindkheda ...	147	0	3	0	0	0	8	0	3	8
Nardana ...	155	0	3	2	0	0	8	0	3	10
Amalner ...	173	0	3	6	0	0	8	0	4	2
Via Amalner ...	...	0	3	3	0	0	8	0	3	11

From.	To Bhavnagar Docks.											
	Miles.	Rates.										
		T. V. Railway.			B. B. & C. I. Railway.			B. G. Railway.			Total.		
Bardoli ...	346	0	0	2	0	1	11	0	0	11	0	3	0
Nandurbar ...	113	0	0	10	0	1	11	0	0	11	0	3	8
Dondaicha ...	448	0	1	0	0	1	11	0	0	11	0	3	10
Sindkheda ...	460	0	1	1	0	1	11	0	0	11	0	3	11
Nardana ...	468	0	1	2	0	1	11	0	0	11	0	4	0
Amalner ...	486	0	1	4	0	1	11	0	0	11	0	4	2

4. The Committee hope that steps will be taken to remedy the existing situation specially when such an unequal rate is a tax on some industry being carried on at an interior point which requires development. There is, as is well known, a cotton seed oil factory at Navsari and the effect of the different rates quoted above is anything but beneficial to this important industry which is still in its infant stage and which has been hard hit by the war.

5. Coming to the question of rates on manufactured products it is found that cotton seed from Navsari to Bombay is charged at Rs. 0-2-1 ; as against this the rate on cotton seed oil is Rs. 0-2-9 *i.e.* half an anna per maund higher. If it is a fact, as my Committee are given to understand, that in a wagon of a given capacity more cake could be loaded than seed, it is difficult to understand why this preference should be given to seeds. The rate on oil from Navsari to Via Dadar is Rs. 0-4-2 while that from Bombay to Madras is Rs. 0-11-3. The total rate from Navsari to Madras under these circumstances should be the total of the above two rates namely Rs. 0-15-5. Instead the consignments of oil from Navsari to Madras have been charged at Rs. 1-10-4. The matter was brought to the notice of the G. I. P. Railway who are reported to have said that the Bombay to Madras rate was a port to port rate and could not be applicable to traffic originating at interior points, although they agreed to reduce their own proportion on the through rate which would then be Rs. 1-7-4.

6. The Gondal Porbunder State, Bhavnagar State and the B. B. & C. I. Railways have introduced special maund rates for wagon loads of cement from Porbunder but considering the very large volume of coal and coke and cement traffic offered by the Indian Cement Company Ltd. the rate which is based on 11 pie per maund per mile cannot be called sufficiently low as is evident from the rate of 1/10 pie per mile per maund recently quoted by the E. I. Railway. Cement packed in bags is not likely to do any damage to the wagons at the time of loading and unloading and therefore should

be carried at a lower rate of freight than cement in barrels and other heavy materials. Freight is charged at the booking station correctly according to the rates in force on the different lines but either from ignorance of the special rates or for other reasons, heavy undercharges are frequently raised and collected from consignees at destination by other railways, *e.g.*, under charges on the following cement consignments.

R/R Nos.	Date.	Amount.
30651	9 2 15	Rs. 63 7 0
38298	4 2 15	,, 84 8 0
67800	30 4 15	,, 202 8 0
249	30 5 15	,, 364 15 0
247	6 6 15	,, 73 5 0
34131	15 6 15	
& 34132	16 6 15	,, 104 5 5
67687	13 8 15	,, 123 6 0
67355	20 8 15	,, 16 13 0
257 & 67687	1 9 15	,, 196 11 0
1504	16 6 17	,, 257 2 0

were collected, refund of which could only be obtained after lengthy correspondence lasting for months and sometimes even longer. The Madras and Southern Mahratta Railway Companies may well be requested to include cement in the "O" schedule of their goods

tariff corresponding to the "M" schedule of other Railways, in which it is already included. The rate for cement from Bombay to Poona is according to "M" schedule, but if a consignment is booked to any station on the M. & S. M. Railway, instead of charging a law rate for the traffic carried to a longer distance, they charge a higher rate from Bombay to Poona. The freight on Wagon loads of cement from Porbunder to Bombay is Rs. 0-5-9 per maund and from Bomby to Madras it is Rs. 0-9-4 but if a consignment is booked from Porbunder direct to Madras the M. & S. M. Railway do not accept the through rate of Rs. 0-15-1 and have collected under charges both on their line as well as on those other lines and have refused to refund the undercharges though the other Railways agree to accept their proportion of freight according to the current rate charged in the R/Receipt. Such a policy in the matter of Railway freights comes in the way of the development of distant markets.

7. The distance from Burhanpur to Delhi and Amritsar is less by about 300 miles than the distance from Bombay to Delhi and Amritsar, and yet the rate for yarn and cotton piecegoods is lower for the latter distance than for the former. Similarly the rate for yarn and cotton piecegoods from Nagpur to Bombay is less than the rate for the same commodities from Burhanpur though Burhanpur is nearer to Bombay by 200 miles. The rate for raw cotton from Bombay to Jalgaon and Bombay to Nagpur is less than the rate for this commodity from Bombay to Burhanpur. The Committee hope that this complaint will also be looked into specially because of a cotton Mill at Burhanpur which is adversely affected by such inequalities in rates.

8. The attention of the Committee is drawn to the fact that potatoes and onions which were formerly classed as perishable goods are now classed as non-perishable goods. The Committee think that this will be a great hardship for the poor and middle class people who use these commodities to a large extent. These commodities are really of a perishable nature, and it is hoped that they will again be placed in the class perishable goods.

9. The rates from some of the cotton districts in the Madras Presidency to Bombay are lower when booked to Madras and re-booked from Madras to Bombay than if booked direct to Bombay Via shortest route although the distance in the former case is considerably great. For instance the rate for full cotton pressed bales from Coimbatore to Colaba Via: Jolarpet the direct and the shortest route, is Rs. 2-8-3 per maund; while if the same cotton is booked to Madras and then rebooked from Madras to Bombay would cost Rs. 1-13-9 in Railway freight although the distance is many miles more. This is absolutely unwarranted and not only does it entail great worry and inconvenience to merchants but an extra work is thrown upon the terminal stations of Madras. In the opinion of my Committee the through rate to Bombay ought not to be at the least more than if booked to Madras than to Bombay.

10. In conclusion the Committee hope that the Goods Classification Committee will consider all cases submitted to them hereby with sympathy and be kind enough to remove the causes of complaint.

I beg to remain etc.

J. K. Mehta,

Secretary.

Indian Railway Conference Association.

Simla, 31st August 1917.

To

The Secretary,

The Indian Merchants' Chamber and Bureau,

BOMBAY.

Dear Sir,

In continuation of my letter No. 1832/3 dated the 14th August 1917, I beg to inform you that your communication dated 7th August was placed before the Goods Classification Committee at its recent meeting and to say that the subjects referred to therein do not come within the purview of the Committee which cannot deal with questions affecting the internal administration of a Railway.

Copies of your communication have, however, been forwarded to the Railways concerned for disposal and direct reply to your Chamber.

Yours faithfully,

C. V. BLISS,

Secretary.

APPENDIX 34.

Improvement of Hemp.

Bombay Castle, 8th June 1917.

To

The Secretary,

Indian Merchants' Chamber and Bureau,

BOMBAY.

Sir,

I am directed to forward a copy of Government Order No. 6742 dated 1st June 1917 regarding the proposed adoption of measures for ensuring improvements in hemp exported to the United Kingdom and to request that you will favour Government with the opinion of the Chamber at an early date.

I have the honour to be, etc.

A. F. L. BRAYNE,

Under Secretary to Government.

Department of Agriculture.

Proposed adoption of measures for ensuring improvements in hemp exported to the United Kingdom.

GOVERNMENT OF BOMBAY.

REVENUE DEPARTMENT.

Order No. 6742.

Bombay Castle, 1st June 1917.

Letter from the Government of India, Department of Commerce and Industry, No. 5180. C. W. dated 8th May 1917 :—

"I am directed to refer to the correspondce ending with your letter* No. 6404 dated the 10th July 1913; on the subject of the introduction of improved method for the preparation of hemp in India. It will be seen that in 1913, with reference to a representation from the London Hemp Association, *the Government of India expressed the opinion that the remedy for the unsatisfactory quality of much of the hemp exported from India rested to a great extent with the buyers* ; and that, if a higher price were paid for clean hemp, and if hemp which contained impurities in appreciable quantities were refused, the evil complained of would disappear in due course. This opinion was generally accepted by the commercial public, and the London Hemp Association was eventually informed that the only effective means of ensuring improvements in hemp* exported to the United Kingdom from India was that buyers should insist on getting the clean article and be prepared to pay higher prices for it ; and that the *Government of India were unable to take any action in the matter.*

"2. I am now to forward a copy of a letter from the Secretary, Revenue and Statistics Department, India Office, No. R. & S.—3876 dated the 5th October 1916 and of its enclosures, regarding the suggestions made by the Home Office for the grading of Indian hemp. It is pointed out that *Indian hemp could be more thoroughly cleaned before export than is the case at present, and that the garding might be controlled by legislation on the lines of the regulations in force in New Zealand and Manila.*

"3. The Government of India have given their careful consideration to these proposals. They are inclined to think that it is neither practicable nor necessary to have recourse to legislation in the matter. The Indian hemp crops vary considerably in character, while the New Zealand and Manila crops are more or less uniform; and it would therefore be necessary to prescribe in India an inordinately large number of grades. Moreover, the Government of India understand that the present system, by which the buyer relies upon the established private marks of the better known shippers to guarantee him regularity of grading, works satisfactorily. They are, however, of opinion that it is desirable to discourage the shipment of dusty hemp as far as possible. It is no doubt the case that the dustiness of Indian hemp, which is most marked in the grades known to the trade as 'Philibit' and 'Chandausi', is mainly due to retting in muddy water, and there may be difficulties in improving the facilities for washing the hemp in the districts where it is grown. The subject appears to the Government of India to merit the consideration of the local departments of Agriculture. Probably however the most feasible course to adopt would be to encourage the hackling or combing of hemp before export. Before arriving at a definite decision, however, they would be glad to know the view of the Government of Bombay as to the desirability, or otherwise, of taking any special measures to

encourage hemp-dressing. I am accordingly to request that, with the permission of His Excellency the Governor in Council, the local commercial bodies may be consulted with regard to the suggestions made by the Home Office, and that the Government of India may be furnished with the views of the Government of Bombay on the subject at an early date."

R. & S.—3876. India Office, London,
5th October 1916.

Dear Sir,

I forward, for information, copy of the papers noted below,* on the subject of the grading of Indian hemp. It will be observed that the Home Office have been promised a further reply.

I am, etc.
L. D. WAKLEY,

---

for Secretary, Revenue and Statistics Department.

To the Secretary to the Government of India,
Commerce and Industry Department.

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* Not printed.

Home Office,
Whitehall, S. W.,
28th September 1916.

Sir,

I am directed by Mr. Secretary Samuel to forward to you to be laid before Mr. Secretary Chamberlain the

enclosed copy of a report by Mr. W. B. Lauder, H. M. Inspector of Factories, in regard to the character of Indian hemps imported into this country and the question of making early legal provision respecting the grading and export of Indian hemps on the lines of the regulations enacted by the New Zealand and United States Governments.

The original enclosures to the report and a copy of a minute by Sir Arthur Whitelegge, K. C. B. Chief Inspector of Factories, are also forwarded herewith.

The matter appears to Mr. Samuel to be deserving of early and careful consideration.

I am etc.,

(Sd.) R. R. BANNATYNE.

The Under Secretary of State,

India Office, S. W.

Sir Edward Troup.

It appears from the report within that India is now sending us large quantities of undressed hemp, containing as much as 20 per cent. of dust. The transport of such an amount of dust is wasteful, especially at a time when shipping tonnage is scarce. The dust appears to be injurious in itself. The machinery in hemp factories here is designed for cleaner material and cannot cope with excessive dust and there is therefore increased difficulty and cost of manufacture, especially in complying with the regulations which require suppression of dust.

Russian hemp when available is clean ; and so it seems is that from New Zealand and America, owing to Government regulations. I concur in Mr. Lauder's suggestion that the matter should be brought to the notice of the India Office who may see their way to similar control.

(Intld.) B. A. W.

16-9-16.

H. M. District Inspector of Factories,
Prudential Buildings,

Mosley Street, Newcastle-on-Tyne,
September 8th, 1916.

Chief Inspector.

Bombay hemp.

Messrs. R. Hood, Haggie and Sons, Limited, Rope and Twine Manufacturers, Willington Quay-on-Tyne. have complained to me about the undressed Indian hemps they are now receiving being thickly impregnated with dust, to the extent of from 17 per cent. to 26 per cent.

They state that owing to the war, Russian hemp is not available to rope manufactures in this country and that for some time previous to the war the trade in tarred hemp goods has been gradually drifting towards Bombay and other Indian hemps.

Russian hemp comes packed in loose bales, and is always very clean, and practically free from dust, whereas the Indian hemps have been coming over here full of dust.

This hemp has to be worked over machines, and drawing frames in a dry state without any batching, because the yarn has to be tarred after being spun. The result is that in working now with Indian hemp dust is given off to an alarming extent. It is of a highly pungent nature, and I should think most injurious to the health of the workers.

Dust exhaust apparatus is of course installed in the works and was very effective in removing any dust given off in the various processes before this class of Indian hemp was used. Now, however, the dust exhaust cannot remove the large amount of dust given off by the Indian hemp which they are compelled to use owing to the failure in supply of Russian hemp. They have tried to remove the bulk of the dust by a shaking out process in a separate room, but this is not altogether a solution of the problems and of course adds considerably to the cost of manufacture.

My object in reporting the matter is to point out that in New Zealand under "The Products Export Act, 1908" an Order in Council was made in 1907, which introduced Regulations governing the Grading and Export of New Zealand Hemp. The grading is there done by Government Graders specially appointed and the hemp is marked :—

A grade	...	...	...	(Superior).
B grade	...	...	...	(Fine).
C grade	...	...	...	(Good fair).
D grade	...	...	...	(Fair).
E grade	...	...	...	(Common).
F grade	...	...	...	(Rejected).

This grading of hemp in New Zealand is said to raise the quality and ensure freedom from excessive dust.

The American Government have also adopted a somewhat similar plan in regard to the grading and export of Manila hemp and with excellent results.

I am informed that a limited quantity of what is termed "Dressed Bombay Hemp" does come to this country and commends a much higher price. To this quality of hemp no objection is raised as it is clean and comparatively free from dust, being somewhat similar to Russian hemp in this respect. I am assured that rope manufacturers would gladly pay increased prices for ordinary Bombay hemp if it were thoroughly shaken and cleared from dust before being packed into bales for despatch.

It appears that the Chief Inspector of Factories in India (Bombay) has lately issued instructions for "Dust Exhaust Apparatus" to be installed in all *hemp dressing factories* in India. The important point to consider is that only a small proportion of the hemp exported from India is dressed and that is the "Undressed Indian Hemps" which are complained of.

Another important point is that this hemp contains up to *20 per cent.. of useless dust* and freight requires to be paid from India on the dust. At the present time, when freights are so high and tonnage space on ships is of considerable moment to the nation, the whole subject appears to be of more than ordinary importance.

Might I suggest that some steps should be taken to inform the India Office of the state of matters I have reported and to recommend that immediate action be taken to introduce similar regulations for the grading and export of Indian

hemps to those in force in New Zealand and America. I am of opinion that if immediate action were taken, it would do much to increase the market value of Indian hemps and to increase their popularity with manufactures in this country.

(Sd.) W. B. LAUDER.

No. R. & S.—3876 dated 3rd October 1916.

Sir,

I am directed by the Secretary of State in Council to inform that your letter No. 320930 dated the 28th September with its enclosures on the subject of the grading of Indian hemp is being forwarded to the Government of India for their consideration. A further communication will be made to you on receipt of their reply.

I am etc.,

(Sd.) E. J. TURNER.

The Under Secretary of State.

Home Office.

ORDER.—Copies of the letter from the Government of India' No. 5180 C. W. dated 8th May 1917 and of its accompaniments should be forwarded to the Commissioner in Sind, the Director of Agriculture, the Secretary, Chamber of Commerce, Bombay, the Secretary, Chamber of Commerce Karachi, and the Secretary, Indian Merchants' Chamber and Bureau, Bombay for favour of their early opinion.

A. F. L. BRAYNE,

Under Secretary to Government.

Bombay, 4th August 1917.

To

A. F. L. BRAYNE, Esq., I. C. S.
Under Secretary to the Government of Bombay,
Revenue Department,
BOMBAY.

Sir,

With reference to your letter of the 8th June 1917 No. 7014 of 1917 regarding to the proposed adoption of measures for ensuring improvements in hemp exported to the United Kingdom I am directed by the Committee of this Chamber to inform you that it is neither practicable nor necessary to have recourse to legislation in connection with any proposal to attempt the grading of hemp in India for export.

I beg to remain, etc.

J. K. MEHTA,
Secretary.

APPENDIX 35.

WHARFAGE RULES.

The Wallace Flour Mill Company.

Bombay, 17th July 1917.

To

The Secretary,
The Indian Merchants' Chamber & Bureau,
BOMBAY.

Dear Sir,

We have the honour to place the following before you with a request that you will be good enough to take the necessary action.

in the matter and make a move to relieve the inconvenience and trouble to which we are subjected as merchants, and with us our dealers, by the G. I P. Railway Co.

The enclosed copies of our letter to the Goods Superintendent at Vadi Bunder (copies of which were forwarded to the Traffic Superintendent and the General Traffic Manager) and the reply we have received from the Goods Superintendent will place the position complained of clearly before you. But it may be mentioned by the way that this strictness on the point of wharfage began with the advent of present Goods Superintendent some two years ago, whereas his predecessor did not give us and the merchants this sort of trouble and annoyance.

It is necessary in the interests of the trade that a move must be made by our Indian Merchants Chamber & Bureau in this direction and we trust, you will consider it of sufficient importance to give your kind attention to it.

Yours faithfully,

VISSONJI SONS & Co.

11th July 1917.

To,

The Goods Superintendent,

Wadi Bunder,

BOMBAY.

Dear Sir,

We beg to bring the following to your urgent notice and trust you will be good enough to make some better arrangement than

the present one to remove the trouble, inconvenience and loss to which we and our sellers, as importers of wheat, are subjected to, owing to the over-strict methods of recovering wharfage charges without any regard to surrounding circumstances which require due consideration for the exigencies of the trade.

You are no doubt aware that we largely import wheat on your line for the consumption in our Mill,—The Wallace Flour Mill, carrying thousands of tons over your line. Latterly, we are importing other seeds and grain on behalf of the Bombay Co. Ld. for shipment to Europe, according to the usual bazar system we accept railway receipts from our sellers to receive them ourselves from our up-country agents. It frequently happens that many of the lots delivery of which is being taken, are partly or largely damaged, and the position could not be seen till the day's deliveries are completed The delivery parts have then to be delivered to the sellers, which cannot be done before the morning of the next day, and when the next day the merchants apply for delivery, the payment of a day's wharfage is insisted upon on the ground that the goods were removable the day before. This is really a hardship upon the merchants, since the position of the damaged bags could not be arrived at perfectly till the evening when the gates are already closed and removal is impossible. They in their turn claim the wharfage they have to pay from us, and there are differences arisen which yet remain a question to be settled.

We therefore hope you will kindly consider the position we have therein placed before you, and allow the merchants facility for the removal of the damaged bags by foregoing a day's wharfage.

Yours faithfully,

(Sd.) VISSANJI SONS & Co.

Copies forwarded to the Traffic Superintendent and the General Traffic Manager, G. I. P. Railway.

COPY.

Great Indian Peninsula Railway.

(Incorporated in England).

From—The Goods Superintendent, Wadi Bunder.

To—The Wallace Flour Mills, Co.,

3, Wallace Street,

No. T.-15-30.

Dated 14th July 1917.

Dear Sir,

Your letter of 11th instant.

Re : Wharfage Charges on wheat consignments.

I regret, I am unable to recommend any modification in the existing wharfage rules.

Yours truly

(Sd.) Goods Superintendent.

Dated 4th Ausust 1917.

To

Messrs. Vissanji Sons & Co.,

Proprietors,

The Wallace Flour Mill Company,

BOMBAY.

Dear Sir,

Your letter of the 17th July. 1917, was placed before the Committee of this Chamber on the 1st instant. As far as the

Committe understand this is a matter entirely between two private parties and not between merchants and the Railway Company.

In case of dispute or difference between these private parties it would not be reasonable, the Committee feel, to ask the Railway Company to extend days of grace for wharfage purposes. Under these circumstances the Committee regret they cannot see their way to address the Railway Company unless there are reasons other than those mentioned in your letter which make such an interference on the part of the Committee advisable.

Yours faithfully,

J. K, MEHTA.

Secretary.

APPENDIX No. 36.

INTERVIEWS WITH OFFICIALS.

A meeting of the Committee of the Indian Merchant's Chamber and Bureau was held on Thursday, the 26th instant, at 4 p. m., (S.T.) when the following gentlemen were present to see Mr. R. E. Holland, C. I. E., I. C. S., and Mr. J. H. Wilson, Persian Gulf Trade Commissioners :—

1. The Hon. Mr. Lallubhai Samaldas, C. I. E., (Chairman),
2. Sir Vithaldas D. Thakersey, (Vice-Chairman),
3. The Hon. Sir Fazulbhoy C. Ibrahim,
4. The Hon. Mr. Manmohandas Ramji,
5. ,, ,, Mr. Chunilal V. Mehta,

6. Mr. Jethabhai Valji,

7. ,, Motilal Vallabhji,

8. ,, M. P. Madon,

9. ,, S. E. Warden,

10. ,, P. J. Billimoria,

11. ,, S. B. Billimoria,

12. ,, Mulji Haridas,

13. ,, Gopalji Walji.

14. ,, Chatoorbhooj Shivji, J. P.

Mr. Vishindas and Mr. Dehdashti were also present.

1. Chairman referred to the want of tonnage between this country and Busrah resulting in high freights. He admitted that the shipping difficulty was found all over the world at present but that the freight charged for Busrah was something abnormal as this freight was Rs. 85 per ton as compared with 300 shillings for Marseilles. Mr. Holland replied that nothing could be done in this matter during war conditions.

2. The Chairman referred to the great hindrance in the way of the development of trade of India with Busrah due to restrictions placed on issue of passes from the latter place for the transport of goods to the interior. As soon as Baghdad was taken several exporters here entered into big commitments and all these stood heavily to lose if there were no passes issued as specified above. He also drew the attention of Mr. Holland to the lack of river steamers for the transport of goods from Busrah inland and the paucity of *Padavs* or lighters for the transhipment of goods at the Busrah Port. Mr. Holland requested that the statement

regarding passes be sent to him in a letter. With regard to the other two points he observed that all available river craft and *Padavs* were needed to meet the enormous requirements of the Commissariat which was put to a great strain. As soon as the country craft could be set free this would be done, but he could not give any hopes about any river steamer being set free for trade in the immediate future.

3. The Chairman referred to conditions in the Bills of Lading which the merchants found to be too strict and which they alleged were introduced during the war time. Mr. Holland replied that this was a matter for the steamship Companies themselves.

4. The Chairman inquired as to whether the information of the Committee was correct that there were heavy tariff duties against Indian goods in the Persian Gulf ports, as compared with almost light duties charged on the Northern Frontier of Persia for Russian goods. Mr. Holland admitted that this was so.

5. The Chairman urged the advisability of having a permanent Trade Commissioner in Mesopotamia. This Committee had urged several times in the past for the appointment of Indian Commercial Attaches at Principal British Consulates and the Government could very well take advantage of the present situation and appoint an Indian Assistant to the Trade Commissioner specially to look after a commercial museum which could be established at Busrah in connection with this Trade Commissioner's Office.

6. The Hon. Mr. Manmohandas Ramji urged that adequate banking facilities should be provided by Presidency Banks for those who wished to export goods to Busrah.

7. It was also urged that the particular varieties of goods which were in great favour with people in Mesopotamia should be

exhibited in commercial museums which were likely to be established in all the Presidency towns after the war.

8. Mr. Holland was asked by some of the members as to which were the German goods which before the war were most in demand in Mesopotamia. He replied that as far as he knew they were hardware, enamelware, glassware, cheap cutlery, looking glasses, buttons, etc. Many of these at present were being supplied by Japan which was slowly taking the place once occupied by enemy countries.

The meeting dispersed after the Chairman had thanked the Trade Commissioners for the trouble they had taken in coming over to the meeting of the Committee and in giving them an opportunity to discuss all these important questions.

SPEECH OF THE HON. MR. LALLUBHAI SAMALDAS, C.I.E.

Sir William Meyer,

My committee are pleased to have this opportunity of meeting you and personally offering you their sincere congratulations on your very lucid Budget speech and for fair and equitable proposals of taxations made therein.

Amongst all these proposals my committee assign the first place to your proposals to bring the duty on cotton piece-goods to the level of the general import traffic without increasing the Excise duty to the same level. They accept and welcome the proposal as a half way measure only, for, in their opinion, full justice to this country means the total abolition of this obnoxious Excise duty.

In this connection, they note with deep gratification that Lord Hardinge's Goverment of which, Sir, you were one of the most prominent members, asked some time back for the total abolition of this duty which they correctly described as "a purely adventitious piece of injustice." They trust that when problems relating to trade after the war between the Imperial and the Indian Governments are being settled, your successor will insist on the removal of this unjust duty imposed at the sweet will of Lancashire. The arguments in favour of total abolition have been concisely and clearly put forward in the masterful, sober and well reasoned speech of the Right Hon'ble Mr. Chamberlain in reply to the Lancashire deputation. This speech has been welcomed throughout the country as evincing a desire on the part of His Majesty's Government to deal with a question relating to India in a spirit of justice to her. My committee also feel thankful to the Secretary of State for giving the Indian members of the Imperial War Council an opportunity to put India's point of view before that deputation. They, however, fear that later on when this question will be brought before the House of Commons, there is a danger of Indian interests being ignored by the House of Commons, unless Indian representatives are given an opportunity of meeting Lancashire's argument, and her votes with their votes. This fear is strengthened by the tendency of Lancashire members to oppose all fiscal reforms which they, with or without reason, believe to affect adversely their trade. My committee also think that unless fiscal autonomy is granted to the Indian Government that Government will have to carry out the orders of a ministry whose maintenance in power, judging from the past, greatly depends on Lancashire votes.

The subscriptions to the War Loan received up-to-date which are being announced from day-to-day are a testimony to your resourcefulness in proving through the various branches of loan, safe and favourable investments to different kinds of investers. It is confidently expected that the proposed loan of ten million

pounds would be over subscribed and though this will necessitate large withdrawals from banks and industrial concerns, and thus temporarily hamper the trade and industries of the country to a certain extent, it is hoped that the effect will gradually disappear. As the loan is intended as a Sacrifice Loan to achieve the ends for which the Allies are fighting the trade and industries concerned will, on patriotic grounds, not mind the inconvenience that they may temporarily suffer by withdrawal of deposits or by the inability of the banks to give them full financial facilities.

In this connection, my committee wish also to suggest that all the realisations from this War Loan should be placed with the Presidency Banks so long as they are not withdrawn for Government purposes, in which case of course, the amount spent by Government will go into circulation and thus not reduce the available funds needed for financing trade and industries. Presidency Banks may well also give financial facilities to the Exchange and other Banks whose cash balance will go down on account of withdrawal of deposits for subscriptions to the War Loan.

My Committee note with satisfaction that their suggestion made by the Hon'ble Mr. Wacha the New Chairman of their Chamber about making provision for small investors has met with your approval as evidenced by the issue of Postal stock certificate. They feel confident that full advantage will be steadily taken as time progresses of this offer by small investors all over the country as it allows not only a good rate of interest but also provides for the repayment of principal with interest after the first year to the fifth year when these certificates mature. Intimately connected with the War Loan is the question of this country's gift of £100,000,000 as her contribution towards the expenses of this war which, it is gratifying to note, has now taken a favourable turn for the Allies, and which we all hope, will come to a speedy and a successful end. Although you, Sir, were hustled by some people in

this matter, we all had ample confidence that you would select the best time to make such a gift, which may well be called generous, looking to the financial condition of the country as a whole. The country was prepared to respond to the fullest extent. It was in spite of its comparative poverty prepared to undergo a sacrifice on this unprecedented occasion, as the other portions of the Empire have contributed out of their plenty surplusage.

My Committee have already wired to you their cordial approval of the principles of taxation underlying your budget speech, They would however like to take advantage of the present opportunity of having some points of details of administering the act made clear by you.

At a meeting of this Committee with the Hon'ble the Member of Commerce and Industry one of our members suggested that Government should allow Government Paper held by a Life Insurance Company to be put down in its balance sheet not at the market rate of the last day of the year for which the balance sheet was prepared, but at the average rate for the period for which triennial valuation was to be made. Sir George Barnes disapproved of this suggestion and said that the paper must be written down at the market rate. No ruling has been given on this subject as regards other joint stock companies, though under the strict rules of auditing it is necessary to write down the paper like all other stock according to market rate so that there may be no danger of declaring dividends out of capital. This, however means a reduction in the profits and a consequent reduction in the Income Tax Revenue, and it is likely that some Income Tax collectors may decline to take this reduction into account when assessing the profits. My Committee understand that in some instances the Income Tax Collector declines to take into account the depreciation in the value of Government Paper, unless it is sold and the lower value realised. We do not think Government would like companies to sell these Government securities on the

last day of their official year to arrive at a correct figure of profit as one of the results of this action would be a slump in the Government paper. My Committee trust that definite instructions will be issued to Income Tax collectors on this subject so that there may be uniformity of practice all over the country.

The Supertax is entirely a new feature of your budget of this year and we recognise the advisability of such a measure to meet special conditions. It is however felt in certain quarters that the provision exempting only 10 per cent. of the profit from the taxable reserve is not sufficient for companies that are anxious to carry on their business on sound and cautious business lines. It is also feared that as a result of this levy of supertax, agents of some companies may have to give away almost the whole of their divisable profits in dividends under presure from their shareholders. Such a policy is opposed to the real interest of the companies but human nature being what it is, the shareholders may not look so far ahead and may look to their immediate interests only. My Committee are sure you will find out a way to meet this difficulty in such a manner that the supertax may no longer be criticised as placing a premium on extravagance and incautiousness.

My Committee desire to bring to your notice the difference in practice prevailing in England and India about taxing of premium on shares. While the English act (*vide* a guide to Income Tax practice by Adam Murray and Rodger N. Carter) clearly lays down "premium received by a company on an issue of shares, etc., are not profits liable to tax as within the meaning of the act," Indian practice seems to be (C. R., F. D., No. 4140 of 30th April, 1912, lays down) to consider the premium as taxable. This seems to be based on the difference in wording of the English and Indian acts. My Committee believe that the English practice is equitable and hope that you will be so good as to issue instructions to Income Tax collectors to follow that practice.

With these words I offer you on behalf of my Committe their deep thanks for paying them this visit which is one of the many you have paid to them, showing thereby your keen interest in and sympathy with the progess of Indian trade and commerce.

SIR WM. MEYER'S SPEECH TO THE COMMITTEE OF THE INDIAN MERCHANTS' CHAMBER 3RD APRIL 1917.

Mr. Lalubhai Samaldas and Gentlemen,

I am extremely pleased to see you again, and I thank you very cordially for the kind words you have said about the financial policy of the Government of India and the Budget for the current year, while I note with satisfaction your appreciation of the contribution of £100 million by India to the Home Government on which that Budget pivoted.

As regards the cotton excise duty, I dealt with that point yesterday in my speech to the Committee of the European Chamber, which is fully reported in this morning's 'Times of India', and I have nothing to add to what I said there except to say that I am very glad you so fully appreciate the attitude Mr. Chamberlain recently took up in the House of Commons and outside it in respect of the Lancashire opposition to the raising of the import duties. You may rest assured from this recent incident that in the event of any resettlement of the Indian tariffs with the object of drawing the economic bonds of the Empire closer, India's interests will be well safeguarded, and as I said yesterday, it will be a matter of mutual concession as between the components parts of the great British Empire.

With reference to the War Loan, you will see from my speech yesterday that I am in full agreement with the views you express that the War Loan receipts should be left with the Presidency Banks till they are actually required by Government, and that these Banks should give temporary assistance to other Banks which are for the time inconvenienced by the withdrawal of deposits, or by financing subscriptions to the Loan.

As regards your point in reference to depreciation of Government or other trustee securities held by banks, companies or firms, you will see that I went into this matter fully yesterday with the European Chamber, and I there pointed out that our income-tax and supertax are levied on current profits. We cannot take into account temporary alterations in the face value of Government securities, which form part of the capital of a bank, company, etc. As I then said, you might have appreciation as well as depreciation, and so long as the securities are not sold, the interest receipts remain constant.

I also dealt in my speech yesterday with the question you raise in regard to the adequacy of the concessions made in the Super-tax Act in respect of taxation of undistributed profits of companies, etc. As I then said, if we should find by actual experience, though I don't anticipate that this will be the case, that the method of taxation gives an undesirable stimulus to the distribution of profits to shareholders, which might be better placed in reserve, we should be ready to consider the matter later on.

As regards the question of taxing premium on shares, I understand that what you mean is that if a company floats fresh shares of a face value of, say, Rs. 100 but, owing to the large dividends it is distributing, is able to ask an actual payment of, say, Rs. 200, the additional Rs. 100 shall be treated as fresh capital and not as current profits. This seems to me to be a perfectly reasonable contention.

In conclusion, I should like to repeat to you the remarks I made as a friend rather than as Finance Member to the European Chamber yesterday. As I said, the millowners are going to get a considerable advantage from the revision of the cotton duties. I would ask them in turn to recognise that they have a duty to the community, the fulfilment of which will also be in their own ultimate interests, in improving the efficiency of their workmen by better housing and more sanitary surroundings. Also, in assisting in the education of the workers' children, who may be looked on to supply the mill-hands of the future.

Once more, Gentlemen, I thank you for the cordiality of your reception. It gives me great pleasure and support to feel that I have a body of real friends in your Chamber.

MEETING AT INDIAN MERCHANTS' CHAMBER.

HON. MR. LALUBHAI ON EXCHANGE DIFFICULTIES.

SIR GEORGE BARNES' REPLY.

A meeting of the Committee of the Indian Merchants' Chamber, Bombay was held on 10th July, 1917 at 12 noon, to discuss

several commercial problems with the Hon. Sir George Barnes, Member of Commerce and Industry, Government of of India.

CHAIRMAN'S SPEECH.

The Hon. Mr. Lallubhai Samaldas C. I. E. President of the Chamber, spoke as follows :—

On behalf of my Committee I have to thank you for giving them an opportunity of personally discussing with you some importat matters relating to the Trade and Commerce of this Presidency.

CEMENT COMPANIES' GRIEVANCE.

The Muuitions Board have decided to have the option of purchasing all the output of certain industrial concerns, *e.g.*, cement. The department desire to make purchases not only on behalf of the Military or the Public Works Department but also on behalf of such bodies as Railways, Municipalities, Port Trusts and Improvement Trusts. While the companies that manufacture cement, have no objection to giving as much cement as is required for Government Departments at a price to be fixed by the Munitions Board, they cannot understand why the cement companies should not have the freedom to settle the prices with the institutions as are mentioned above, especially railway companies, certain percentages of whose profits are divided among shareholders? The cement companies' grievance is not only that the price is fixed at a figure much lower than the market prices by the Munitions Board for the requirements of public and semi-public bodies, but that if all this

cement is taken up by the Munitions Board, they will not be able to meet the demands of their customers, who will begin to use foreign cement which can easily be dumped in this country by foreign countries. The result of such a procedure will be that when the war is ended and when no cement is required by Government the cement manufacturers will have a very difficult task before them to re-introduce their brand in their own country. What these companies desire is that the Munitions Board should purchase only as much cement as is required by the Military and Public Works Departments, and that they should be allowed to sell the balance of the output in the open market. They have already placed their proposals before the Munitions Board and my Committee trust, that you, Sir, will support it in the interest of indigenous industries.

SALT FROM KATHIAWAR PORTS.

The last time that my Committee had the pleasure of meeting you, they placed before you the difficulties in the way of salt from the port of Kathiawar being imported into British ports even on the payment of the duty equal to that charged on the foreign imported salt. In this connection my Committee desire to bring to your notice that there is a probability of bleaching powder and chloride of magnesium and similar other chemicals being manufactured from salt in Katiawar and they trust that these manufactured articles will be allowed to enter British India without any restriction except the payment of the usual Custom duties.

My Committee would also like to take this opportunity of requesting you to use your influence with the Finance Department in expediting the abolition of the Customs duties levied at Viramgaum which, beyond being a burden on trade and commerce of Kathiawar, is causing a great deal of annoyance to the travelling public.

DENATURED SPIRIT FROM BARODA.

My Committee like to draw your attention to another matter which is very important to the growth of one of our new industries. The Government of India were pleased in their letter of the 8th January, 1917, to announce the removal of 7½ per cent. *ad valorem* excise duty on denatured spirit of local manufacture in order to assist the producer of Indian spirit for commercial purposes. This concession was allowed to the Alembic Chemical Works Co. of Baroda also. Recently, however, the Commissioner of Customs, Salt, Opium and Abkari, of the Bombay Presidency, has informed them by his memo No. 1338 of the 26th June, 1917, that the permission granted to them by a previous memo. No. 1338 of the 19th May, 1917, was revoked since the Government had ruled that the concession was not admissible in the case of denatured spirit imported from a Native State and that as Baroda had been so declared and notified, imports of denatured spirit from that State would not be admitted free in Bombay. Such a removal will operate harshly on an industry which has just begun to make its way. The Company is registered in British India, although its factory is situated in the Baroda territories. My Committee hope, sir, that the restriction imposed on the concession regarding denatured spirit, will be removed.

EXCHANGE RESTRICTIONS.

In conclusion, my Committee would like to refer to the question of restrictions on exchange and its effects on trade. On behalf of the Committee of the Chamber, I addressed a telegram to the Hon. the Finance Minister on this subject on the 13th April 1917, requesting Government to open exchange. I understand similar demands have been made by trading and banking interests all over India. They were greatly disappointed at Government's reply, saying that no change was contemplated by them in spite of the

unanimous opinion of the mercantile community in India. My Committee are aware that this question is one intimately connected with the finance Department also. They, however, do not propose to trouble you with the purely financial aspect of the question. But as finance and commerce are inextricably interwoven you will not mind, if I refer at some length to this question so far as it affects the commerce of India.

RESTRICTIONS OF A DRAWER'S COVER AGAINST A DRAFT.

Since last December, Government asked the exchange banks to fix rates of sterling exchange and instructed them as to what articles were "of national importance." For those that were not included in the list, banks used to accept drafts against a cover only. For the first few months such covers were brought by export merchants in the open market and offered to banks. Lately, however, banks insist on the exporters' cover only (and not any one else's). This means that only houses having both import and export business can do business in articles not included in the list of "articles of national importance." My Committee cannot understand why this restriction "of a drawer's own cover against a draft" is placed by Government and they think it should be removed as soon as possible, as its restriction gives an advantage to less scrupulous exporters and materially hampers exporters having no import activities. The causes of such a financial check by Government on exports of India's raw products to Europe are probably the anxiety of the British Government to prevent gold from being imported into India, economy of freight and the maintenance of the exchange at its present basis.

JAPAN AND INDIA'S COTTON TRADE

With regard to the first of these causes the check is somewhat relaxed for Japan's requirements to pay for her cotton purchases from India, which activity of our Ally has prevented a slump on the cotton market, although the restrictions of exports of cotton to Europe leaves Japan the controlling factor in the field. The Committee recognise with regard to the second cause that every available ton of freight should be spared for the urgent purposes of Government. My Committee think however that as Government have got powers already to requisition freight on special rate, the exports of articles not recognised as of national importance may well be spared this further handicap. This restriction in exchange facilities is working to the great disadvantage of Indian Trade and to the ultimate disadvantage of the ryot.

My Committee wish to submit these facts and their views to you in the hope that you may enlighten them at this meeting regarding the motive of the Government in laying down the restrictions complained against. We do not believe that the Government of India would do aught that would be an unjustifiable handicap to India's Commerce. The holding back in India of articles not recognised as of national importance cannot do any good to Great Britain or her allies. The holding back from India gold which is due to her, even at the risk of running her export trade at a time when her row products are wanted outside, is hardly fair to India. Such an unnatural policy with a continent of India's size is fraught with grave risks to her produce and my Committee deem it their duty to bring this to your notice with all deference due to the Government of India but also with all emphasis at their command.

Before I conclude, I should like again to thank you Sir for all the trouble you have taken in coming over here to discuss these matters with my Committee.

COMMERCE MEMBER'S REPLY.

The Hon. Sir George Barnes, K. C. B., in reply said :—

Mr. Chairman and gentlemen of the Indian Merchants' Chamber and Bureau.

First, Sir, will you let me think you for your welcome. Before we touch upon matters of business, I should like, if you will allow me, to offer my congratulations to your late Chairman, Sir Dinshah Wacha, on the honour which has come to him from the King-Emperor. It is one which we must all feel has been fairly won by solid honest work unselfishly done in the public interest. At the same time, I cannot help looking upon this honour as one which was also intended as a complement to the members of your Chamber and to the position which Sir Dinshah so lately held and I feel that Sir Dinshah would himself wish so to regard it.

In the last part of your speech, Sir, you refer to the question of restrictions on Exchange, and the effect of these restrictions on Exchange trade. Nobody, Sir can regret more than I do the various restrictions which have been of necessity placed upon trade since the war broke out. We have unfortunately restrictions by direct prohibition, restrictions owing to shortage of tonnage, and lastly the restrictions of which you speak—restrictions on Exchange. There, is, as we all know, a shortage of tonnage at the present time and a shortage of exchange wherewith to finance our exports. We have been obliged as you know to secure that the tonnage is made first available for goods of national importance, and the Government have also been under the necessity of securing that the finance available shall be used first of all for goods of national importance. One of the objects to be attained by fixing Exchange at a maximum of 1.4 7/32 for T. T.'s and 1.4 9/32 for demand drafts was to secure that the finance available should be used for these goods of national importance.

I gather from what you say, Sir, that your Chamber urged and has urged in the past, that Exchange should be opened. I must ask you to consider for one moment what would be the result of opening Exchange on the class of goods which would be shipped. Of conrse the result would be that the goods which were most profitable would be shipped to the exclusion of those which were most useful. That would work perfectly well in time of peace, but unfortunately we have all to remember that the Empire is now at War. You have pointed out, sir, that banks have recently decided not to buy bills against goods which are not on the privileged list, that is to say, on the list of goods of national improtance, except in cases where the exporter can offer his own *bona-fide* personal cover. Further you have pointed out, sir, that the effect of this is that a firm with an export and import business can export goods which are not on the privileged list, while a firm with only an export business cannot do so. This is quite true, and you, sir, I gather claim that the inequality is an unfair one, which should be removed by the withdrawal of the decision recently come to by the banks. I am afraid, sir, that the inequality is the inevitable result of the carrying out of the Secretary of State's object which is that the money of the banks in India must be used primarily in financing exports which are on the privileged list. Let me try and put a concrete case before you. If a firm whom we will call A having both export and import business offers bills against goods which are not on the national importance list to a bank and simultaneously offer to buy T. T's or D. D 's on its own account, the bank is in effect only using A's money to buy A's bills ; and if the bank did not buy A's bills, the bank would not get A's T. T.'s, for A would use his money to finance his own bills. Now let us take the other case. If B, an exporting firm, offers bills against goods which are not on the national importancelist to a bank and at the same time offers to the bank the T. T. or D. D. of an outside importer, whom we will call O as cover, the bank then is using this outside importer's money to buy B's bills. The bank would get money of this outside importer

in any case, that is to say, if the bank refuses to buy B.'s bills, that Bank or some other Bank would still get the money of the outside importer C and would be able to use it for the purchase of bills against goods which are on the list of national importance. Now, Sir, I do want to assure you and all present here that the restrictions of which you complain are really necessary in the interests of the Empire, and would be removed immediately, if it were possible to remove them without damaging the vital interests of all of us. It is essential that the exchange which is available should so far as possible be used for the purpose of financing goods of national importance. I know that exchange is being hawked about in the bazaar at rates higher than these fixed by the Secretary of State, but I must beg you and all of you here not to countenance transactions of this sort, but to endeavour in every way that you can loyally to adhere to the rates which have been fixed by the Secretary of State.

COMMANDEERING OF INDIAN PRODUCTS.

Just as I was leaving Simla I received a telegram from your Chamber saying that you would like to discuss with me the commandeering of Indian products. The meaning of this was not very clear to me, and so I sent a telegram of inquiry to ask what the products in question were. Yesterday I got a further telegram from your Secretary telling me that the products referred to were cement. I have got no papers with me on this subject, and consequently I have to rely entirely upon memory as to the facts. The Government require a large quantity of cement and if it were necessary, have got power to take over cement works in this country for the purpose of filling their requirements. The same law prevails in England and has been extensively used. In

England an immense number of establishments have either been taken over entirely by Government or controlled by Government with regard to prices. This is one of the unfortunate results of the war. All interference with the ordinary course of trade and with the law of supply and demand is unfortunate, but in war time is absolutely necessary. I think from what you have said that you agree with me that it is not right that in war time any group of men should make undue profits out of the needs of Government. I know that in Simla Sir Thomas Holland who is as you know Chairman of the Munitions Board for India, had an interview with certain cement manufacturers, and finally agreed with them a price which, again speaking from memory, I believe was Rs. 42-8-0 per ton. This was of course a great deal below the artificial price to which cement has been forced in the open market, but at the same time Sir Thomas Holland believed that it was a price which left something more than a fair profit to the manufacturer. In the same way agreement was arrived at between the Indian Munitions Board and Messrs. Tata & Sons with regard to the supply of steel for the needs of Government. So far as I know, in the strict sense of the word there has been no commandeering of Indian products, but an agreement has been arrived at for their purchase at reasonable prices, the producers knowing that there was a possibility of commandeering in the background, if they were unable to agree to sell at a price which was satisfactory to Government and which at the same time secured a reasonable profit to the manufacturer. Again I must remind you that I am at disadvantage in this matter in that I have to rely upon memory concerning the result of negotiations which were not conducted by me, and of which I have only incidental knowledge but the plain fact remains that the price fixed is by agreement after full discussion of all the facts.

You speak, sir, of time after the war when you think that the Government will have no further need for cement. I can assure you that this is a needless alarm ; the needs of the Government for

cement are likely in fact, I might say, are certain to increase very largely in the years of peace to come and I sincerely hope that the cement works of the country will be able to supply the demand without the import of cement from foreign countries.

It is I think difficult to exaggerate the future for cement if the price is kept at a moderate figure. The irrigation canals of the Punjab alone could absorb a large part of the whole of the present production, but a moderate price is a necessary condition for this large demand, and with production on a large scale there ought to be no difficulty about the moderate price. There is, I think, an unlimited field open for the manufacture of cement in this country, and it ought to be possible for the trade to hold its own against all foreign competition. For a long time to come home-made cement will enjoy an additional protection from high freights, and price and quality being satisfactory, the cement factories of this country will, I hope, have the preference with regard to all Government orders. It seems to me, and I hope, sir, that you will agree with me, that one of the best means of giving support to indigenous industries is the placing so far as possible of Government orders with them. The war has undoubtedly brought many evils upon us, but it has also brought a benefit in that it has taught us, and is still teaching us, that there are many things which can be made and which ought to be made in this country, which hitherto were brought in from outside. It is the policy of the Government of India and of those who are in control of the Munitions Board that these new sources of supply should be sought out and should be encouraged by the placing of Government orders with them. Our object is to make India more self-supporting in future, than she has been in past, and to see that the growth of new industries may be rapidly increased by the fertilising stream of orders for goods which the Government requires in this country.

You have told me. and I am very glad to hear the news, that there is a probability of bleaching powder and other chemicals being manufactured from salt in Kathiawar in the near future, and

you said that you trust that chemicals of this character will be allowed to enter British India without any restrictions, except the payment of the usual Customs duties. The doubt in your mind apparently arises from the fact that there is a restriction on the export of salt, but this restriction is solely due to the fact that it is necessary to maintain the Government revenue from salt, and the restriction, I am glad to assure you, will not extend to bleaching powder or to any other chemicals which may be manufactured from salt as the basis.

VIRAMGAM CUSTOM LINE.

You have referred, sir, in your speech to the Viramgam Customs line. This, I am afraid, has been a vexed question for a long period of years long before I came to India. It is a question, as you all know, full of difficulties great and small, and the result in the past has been delay after delay, and postponment after postponment. I hope and believe, however, that the delays of the past are finally ended. I may tell you that His Excellency the Viceroy has been and is taking the keenest personal interest in this question, for he has been deeply impressed by the extreme inconvenience caused to many people by the maintenance of the present system. I am glad to be able to inform you that the negotiations on the difficult queston are at last reaching an end, and the Government of India has every hope that a settlement satisfactory to all parties, will be made in the immediate future. You may rely upon it that the Government will press on the matter and will not let it rest.

DENATURED SPIRIT.

You have mentioned the subject of the denatured spirit in Native States and have referred particularly to the case of the Alembic Chemical Works at Baroda. I gather from what has been fallen from you the complaint is that a recent order of the Bombay Government has re-imposed a restriction which you believe to be unnecessary. With regard to this case, I do not know precisely what the facts are, or the cause of the recent action taken by the Local Government, but I can certainly promise you that I will go into the case with the Local Government.

I am sure their wish is, as ours also is, that there shall be no restrictions which are not necessary in the interests of the Excise revenue. I am glad, sir, to have had this opportunity of meeting you and the gentlemen of your Chamber, and I think you all for the patience with which you have listened to what I have had to say.

With a vote of thanks to the chair the meeting dispersed.




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